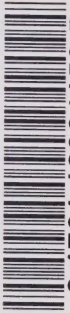


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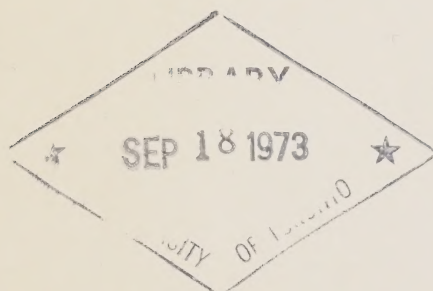


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report

Ontario

advisory task force on housing policy



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august 1973



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ADDENDUM

TO REPORT/OF

THE ADVISORY TASK FORCE ON HOUSING POLICY

- A. Minority Report from Mr. Colin Vaughan
- B. Rejoinder from: Mr. Emerson Clow  
Mr. Roger Davidson  
Mr. Gerard Duffy  
Mrs. Donna Gamble  
Mr. Gordon Gray  
Mrs. Twyla Hendry  
Mr. William Neville  
Mrs. Margaret Scrivener, MPP



A.

MINORITY REPORT - Colin C. Vaughan

When the work of the Task Force began, it was agreed that individual members would have the right to submit a minority or dissenting report.

Except for one major point of disagreement, this is a minority report which concurs with the general findings of the Task Force, but which suggests that the successful implementation of the recommendations will depend largely on both emphasis and interpretation.

The disagreement is over whether Government activity in housing should be restricted only to 'that part of the process not served by the private market' or whether housing should be the results of joint Government-private initiative with private involvement directly related to its performance in meeting social goals.

Early in the report, there is an assumption that the current view of the majority of the public is that 'the supply of housing is primarily undertaken by the private sector as a normal production process carried out for profit and that the public sector's main responsibilities are that part of the process not served by the private market'.

In every aspect of Canadian life there is an expectation of a close relationship between Government and private industry. This is true in fields ranging from agriculture, communication and transportation to land use and industrial development, amongst many others. Evidence of this expectation in housing is contained in the many public submissions to the Task Force in which Government intervention was suggested in numerous ways.

Both the Task Force report and experience suggests that the present crisis in the cost of housing results from too little government intervention, not too much.

The widely recognized role of government is to set overall economic and social policy, to influence the private sector to meet public goals, to regulate performance of the private sector and to allocate sufficient public funds to meet the objectives.

Rather than expecting government to intervene only where private industry leaves off, it could be more easily demonstrated that the public would expect Government initiative with private sector involvement in a joint programme. Private involvement would be limited only by its inability to meet social goals in any part of the programme.

2.

The nature and degree of government intervention will be the most important decision for a new Minister for Housing at the Provincial level. With some degree of assistance required for families with an annual income of \$12,000, it could be argued that new production of housing has not served at least 2/3 of Ontario's population.

A preferred policy would be for Government to set the framework for the supply and maintenance of housing and to take the responsibility to see that that supply is maintained to meet the social and economic needs of the people of the Province and that the private sector responsibility would be to provide those services where it can be shown that it is more efficient than Government.

Three examples of effective Government initiative and private involvement in housing are:

1. The Province's HOME programme is, at this time, bringing housing onto the market in the Toronto area at a construction cost of \$16,000 to \$21,000 per unit with an added land rental of between \$40 and \$70 a unit per month. These homes are becoming available when the average price of a new house in Toronto is \$39,000.
2. In a non-profit housing project, 4 bedroom units will be rented for a monthly charge of \$187 a month after a down payment of \$825. To pay interest and mortgage on a \$39,000 house needs more than \$300 a month after a down payment of \$6,000.
3. Limited dividend housing built before 1969 by the Federal Government is renting today at \$40 to \$50 less than current market rates for comparable accommodation.

In each of these cases Federal, Provincial and Municipal Government has played a significant role -- through land banking, land leasing, financing at favourable rates, regulation of profits and insistence on performance by the private sector.

In each of these cases the private sector has also played its own important role in those areas where Government would not be efficient, particularly in construction services, project planning and design, manufacture and supply of materials and equipment and in providing agency and professional services.

The demand for more of these three forms of housing could be demonstrated easily, both on economic and social grounds, but the supply is not sufficient to meet the need. From this it could be said that if all levels of Government had acted early enough and at sufficient scale, the housing 'crisis' could well have been averted.

3)

The effectiveness of much of the remainder of the report of the Task Force will depend heavily on the interpretation of the Provincial Government and particularly of the Minister of Housing.

In four particular areas, interpretation will determine the success or failure of a Provincial Housing Programme. These are:

1. the extent to which the Government is prepared to intervene in the land market
2. the relationship of the Province and the regional and local municipalities in setting housing policy
3. the way in which the provision of housing will be co-ordinated with community, environmental and growth goals
4. the way in which a short term programme is introduced and the way in which such a programme will be related to community planning goals.

If the Provincial Government follows the recommended arbitrary rule of 25% of total market for public land acquisition when the percentage of the population requiring housing assistance is much higher, it is possible that housing needs may never be met. Provincial and Municipal land acquisition should be proportional to the amount of assistance needed and should also relate to the degree to which Government and private industry would participate in any programme for a given income level.

The introduction to the report draws attention to the high standard of community development, of housing, and of environmental control enjoyed in Ontario. It is possible to read the report in one way and gather that these benefits may have to be sacrificed if the supply of housing becomes the single minded objective of a Provincial Government. For example, the translation into policy of the word 'adequate' in 'having adequate regard to local community development objectives' could lead to a breakdown between Provincial and Municipal planning objectives which could be avoided in a co-operative effort to achieve agreed housing and community goals.

In 'guaranteeing' local performance and in the methods used to apply financial sanctions against municipalities, there is a clear danger of an unnecessary tension developing between the Province and many municipalities. It would be tragic if in the setting of housing goals and by emphasising the supply of new housing by the private sector alone, that the Province loses sight of existing high standards of urban and community development, the need to protect the natural environment, the costs of uncontrolled growth, the demand for the orderly planning

4)

and protection of communities and the particular need to protect and rehabilitate the existing stock of housing in the Province. This older housing is in most cases, irreplaceable and if neglected or destroyed can only add fuel to the housing 'crisis' fire.

In contrast to guarantees and sanctions, the report also recommends that housing should be provided as part of an orderly planning process 'linked to the delegation of Provincial planning responsibility'. It is in such areas of contradiction that interpretation will prove to be most critical.

The greatest danger, however, lies in the way in which any short term housing programme is brought into effect. A short term programme must, by its very nature, precede the definition of a Provincial Housing Policy. Without a careful and sensitive administration and a clear understanding of the role of the municipalities in setting and achieving goals, this programme could undo the very significant gains made in local and community planning over the past twenty-five years and could lead to open hostility between municipalities and the Provincial Government.

Should panic precede planning, no amount of future planning will undo the possible result.

Perhaps the important need for interpretation will be in the emphasis the report of the Task Force puts on the supply of housing rather than suggesting techniques for assistance to the demand, or social, side of the equation. Housing must be seen as a social rather than a supply process only. Programmes must stress quality as well as quantity and support housing rehabilitation as well as building new housing. Particularly, housing must be seen as a service, not merely as a product.

With careful interpretation and with property emphasis it is feasible to link housing goals with those for desirable and desired community planning goals. The responsibility for that emphasis and interpretation will rest heavily on the present and future Provincial Governments.

B.

REJOINDER BY TASK FORCE MEMBERS

August 17, 1973

Mr. Eli Comay  
Chairman, Ontario Advisory Task Force  
on Housing Policy  
Hearst Block, 5th Floor  
900 Bay Street  
Toronto, Ontario

Dear Sir:

We, the following members of the Housing Task Force, would like to take this opportunity of replying to Mr. Vaughan's minority report dated July 31, 1973. It is not our intention to discuss the text of Mr. Vaughan's memorandum in any detail but rather to explain the manner in which the Task Force's deliberations occurred, so that the public may have a clear understanding of the workings of the Task Force and thus view Mr. Vaughan's minority report in its proper context.

We realized, since housing is a multi-dimensional problem involving virtually all groups of our society, that in order to discharge our responsibility we should strive for a report that reflected a balanced rational solution. To obtain our objectives we all agreed that it was in the best interests of the public, wherever possible, to submerge our personal preferences.

It was in this atmosphere of mutual respect for one another's opinions and the recognition of the complexity of the problem that the right to submit and accept minority reports was accepted by the Task Force on the conditions that: (1) proper notification of such a report would be given to all members of the Task Force and (2) the proponent of such a report should exhaustively discuss the particular issues in question prior to the submission of such a report.

During the months of May, June and July the Task Force held a number of working meetings, culminating in a final meeting on July 25, 1973. At this final meeting the report of the Task Force was agreed upon by all members and this was further confirmed by the individual members signing the report which was then to be forwarded to the Premier.

It was not until the late afternoon of July 31, 1973 (the day the Task Force officially closed its offices) that Mr. Vaughan submitted his minority report. Mr. Vaughan further informed the Chairman that he would be away for two weeks and unavailable for discussion of his submission.

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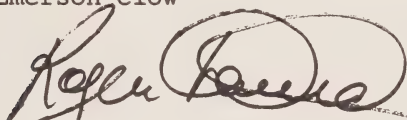
We regret that Mr. Vaughan did not make use of the opportunity afforded him of raising the views contained in his minority report in an open and frank manner with the other members of the Task Force. We believe that if Mr. Vaughan had extended to us the courtesy of such a discussion, quite apart from the agreed procedure referred to above, he would not have considered it necessary to have filed such a report. Our concern is that the filing of this minority report may tend to distract the public from the meaningful consensus achieved by the Task Force, particularly as a careful reading of Mr. Vaughan's report would indicate no real disagreement with any of the findings for recommendations made by the Task Force.

It is therefore our wish, Mr. Chairman, in the discharge of our responsibilities, that you file this statement as a rejoinder to Mr. Vaughan's minority report.

Yours truly,



Emerson Clow



Roger Davidson



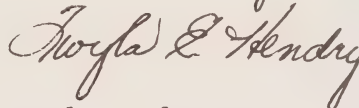
Gerard Duffy .



Donna Gamble



Gordon Gray



Twyla Hendry



William Neville



Margaret Scrivener



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Gerard Duffy, Sault Ste. Marie

Donna Gamble, Windsor

Gordon Gray, Toronto

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27 July 1973

The Honourable William G. Davis,  
Premier of Ontario


Dear Mr. Premier:

We are pleased to submit to you the Report of the Advisory Task Force on Housing Policy.

The Task Force has spent a period of about eight months reviewing the housing situation in the Province and assessing the Government's role in meeting the very serious housing needs of the residents of Ontario. We are proposing to the Government a program of concerted action.

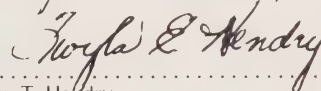
In preparing this report we have received considerable information and assistance from many Provincial officials and from a number of municipalities. We have also had invaluable help from the many citizens and organizations who submitted written briefs and attended the Task Force's public meetings throughout the Province. This assistance is very gratefully acknowledged; without it the Task Force would not have been able to carry out its assignment. We are equally grateful to the 37 members of the Advisory Committee whose contribution was also very helpful.

We hope that the report will assist the Government in carrying out its housing responsibilities, and we respectfully urge that the Government act forthrightly to do so.

  
.....  
E. Comay, Chairman

  
.....  
G. Gray

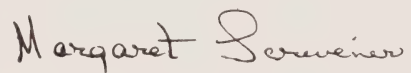
  
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Mrs. T. Hendry

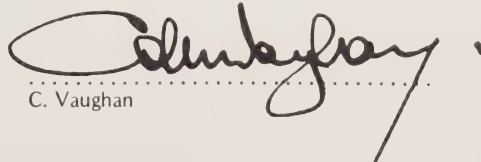
  
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G. Duffy

  
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Mrs. M. Scrivener, MPP

  
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Mrs. D. Gamble

  
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C. Vaughan



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# Introduction

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The Ontario Advisory Task Force on Housing Policy was appointed in November 1972, and was asked to do the following:

- a) Examine the current housing situation in Ontario.
- b) Make recommendations on the appropriate role of the Provincial Government in helping to meet the housing needs of the residents of Ontario.
- c) Make recommendations on the organizational requirements for developing and implementing suitable housing policies.

The Task Force has not viewed its assignment as a research task, but as an effort to draw meaningful conclusions about the nature of the current housing situation in the Province. Rather than attempt to quantify in detail the different aspects of today's housing problems, the Task Force has been more concerned with securing an understanding of how the housing process functions in the current governmental climate.

The Task Force was not assigned to examine the performance of the housing industry, and this Report is therefore not a comprehensive study of housing in Ontario. Nor did the Task Force examine in any detail the Federal Government's activities in housing. The area concentrated on was that assigned to the Task Force in its Terms of Reference: "the appropriate role of the Ontario Government . . . in helping to meet the housing needs of the residents of Ontario". In doing so, considerable attention has been paid as well to the municipal role with respect to housing.

To obtain a balanced view about housing in the Province the Task Force engaged in an extensive program of public participation. About 350 written submissions were received from individuals, organizations and municipalities. The Task Force held over 50 public meetings throughout the Province over a six-week period, attended by some 2,200 persons. The information submitted and views expressed in the written briefs and at the public meetings helped considerably to broaden the Task Force's perspective, and assured that many viewpoints were taken into account. A summary of the briefs received by the Task Force and a description of the public participation program is published as a separate document, and the briefs themselves are on file and available for public examination.

The Task Force has also benefited considerably from the help which it received from an Advisory Committee of 37 members, representing a variety of housing interests across the Province. As a group and individually, the Advisory Committee served as a sounding board for the Task Force and gave expert advice on a number of matters. The help of the Advisory Committee is appreciated greatly. The members of the Advisory Committee are listed in Appendix A.

The Task Force operated over a period of about eight months. In addition to the public participation program the available material about housing in Ontario was assembled and a limited number of studies were carried out by staff and consultants. Several meetings were held with officials at all three levels of governments. Five Working Papers were prepared as a means of reviewing the Task Force material and to provide documentation for the

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Task Force Report. These Working Papers are also published separately and the various consultant reports and staff papers have been filed with the Government and are available for public examination. A list of all the supporting documents is given in Appendix B.

## Main Findings

The tone of the Task Force Report is generally critical of governmental activities relating to housing. This is inevitable in the very nature of the Task Force. If the situation were not one to arouse criticism, there would have been no need for a Task Force. This criticism should be seen in context.

The review by this Task Force represents the first major public examination of Ontario's housing. There have been earlier studies about housing conditions and housing needs of individual cities and urban areas, but no Province-wide study on housing has previously been undertaken. This may have been because housing was not seen as an issue of general concern up to now. The swiftness with which housing problems have developed in the last year or two has raised the priority of housing in the eyes of the Government.

It seems to the Task Force, at the risk of oversimplification, that the present near crisis in housing comes at a time when, in terms of physical condition, Ontario's people are probably housed better than ever before. The housing and community development process has produced a great volume of high-standard housing which has kept pace, by and large, with the growth of the Province. The Provincial-municipal system of planning has on the whole worked better than in most growth areas in North America in providing superior residential amenities and a high standard of environmental protection.

Both of these positive achievements — the high standard of housing and the high quality of the environment — have been at least in part responsible for the high cost of housing in the Province. The housing which is being produced today has moved out of step with housing needs — costs are too high for most incomes. This is affecting not only poorer people, as in the past, but an ever larger section of the community. More people, rather than fewer, require some kind of housing assistance.

Several constraining circumstances have distorted the supply of housing and affected its cost. Among these are the continually rising standards which have led to production geared primarily to middle- and upper-income occupancy. Older houses are no longer available for the poor. With the shortage and rising cost of new housing, the price of old housing has risen sharply as well. The supply of serviced buildable land has not kept up with urban growth in many areas. Environmental concerns, leading to stricter controls, have limited the supply of housing land. Planning procedures and regulations have seriously slowed down the development of housing land. Greater community participation has frequently slowed down or stopped housing production. The shortage of housing land and of housing has led to

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an accelerating price spiral, exacerbated by speculation and by panic buying in many areas. These circumstances prevail in varying degrees in most parts of the Province, and apply to rental as well as ownership housing. As well, in the rural and northern communities there are additional problems, peculiar to them.

These are not the only factors affecting the current housing situation. Certainly the rise in the cost of labour and materials, and the cost of financing, have played a very important role. These are outside the scope of the Task Force's review, but must command serious attention from the Provincial and Federal governments.

The constraints on production and the rising expectations of housing consumers have led to a widening gap between the kind and cost of housing which is provided and peoples' ability and willingness to pay for such housing. If the constraints are not overcome, housing Ontario's citizens will be increasingly difficult and will become increasingly a matter of subsidization.

The type and kind of housing to be produced should move toward the provision of housing which closely matches, not expectations, but needs. It is not possible to house the people of Ontario in single-family houses at today's standards and expect a majority to be able to pay the full price. Other forms of housing, at different and more realistic standards than currently demanded, are needed. Prevailing public attitudes will have to be modified for this to take place, and government will have to play a much stronger role in acquainting the public with these facts.

The Government has had an active program of providing housing assistance. Since the Ontario Housing Corporation was established eight or nine years ago, it has created, with Federal and municipal help, some 70,000 dwellings for low-income families and individuals and has provided home ownership assistance for over 25,000 families. Despite this accomplishment, the need for housing assistance has probably never been as great in Ontario as it is today. In Metropolitan Toronto, Hamilton and Ottawa, only 7 or 8 percent of the households now receive direct housing assistance and, in the rest of the Province, only 3 percent. There are probably twice as many families and individuals who require housing assistance of some kind as are now receiving such assistance. These include moderate- and even some middle-income families as well as low-income families. By any definition socially and physically acceptable in Ontario today it is likely that for 300,000 to 400,000 families, or one family out of every six, the predominant need is to secure housing which they can afford.

Many governmental activities affect housing, at both the Provincial and municipal levels. In carrying out these activities little attention is paid to their effect on the supply or the cost of housing. Regulations and administrative procedures are protective and negative with regard to housing, rather than positive and productive. Servicing and development standards are set and applied without reference to their effect on housing. Departmental programs are pursued without regard for their implications on housing supply or cost. Governmental activities at both levels are

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carried out in the absence of any guiding housing policies. In the structure of Government there is no one specifically concerned with housing as such. No one speaks for housing.

The Task Force has concluded that the housing situation in the Province today calls for firm and active Government leadership, a strong commitment to serving the housing needs of the Province's residents, and assigning a high degree of priority to housing in the Government's policies and programs. It has also concluded that the municipalities and their residents should be called on to accept their responsibilities and take the initiative for dealing with their housing needs in the way which suits them best. Public awareness and understanding and Governmental commitment to achieving housing goals must both become much stronger than at present.

Public awareness of housing issues may not be difficult to achieve under present conditions if the Government accepts its leadership responsibility. But public acceptance of the necessary actions will only come with firmly established policies related to sound planning procedures. With respect to public housing, for example, it is necessary for the Government to bring about open consultation among all the parties concerned, including local residents. Yet it is also necessary for the Government to make clear that local residents cannot exercise the right to veto the establishment of public housing in their communities.

## **Basis for Recommendations**

A major premise which underlines the Task Force's consideration, and which is usually left unstated, relates to the economic and social role of housing. The Task Force implicitly acknowledges the current majority view that the supply of housing is primarily undertaken by the private sector as a normal production process carried out for profit, and that the public sector's main responsibilities are that part of the process not served by the private market.

The Task Force accepts that today's housing production process reflects our generally mixed public-private economy. The public and private sectors have to adjust to the increasing public role and arrange housing provision as an efficient private-public service rather than view it as a simple marketing operation. The private sector alone cannot deliver housing adequately without public support. The present condition of near-struggle between the housing industry and government, between the industry and the community, between governments and the people, should be replaced by a cooperative partnership in which all parties play an appropriate role.

The Task Force has made assumptions about the Government's intentions. It assumes that the Government will exercise its housing responsibilities; that it will purposefully direct the housing production process and give the necessary administrative and financial support; that it will give a significant degree of priority to housing in its total policy, and will commit the necessary funds.

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It is also assumed that it will be Provincial policy to meet housing needs Province-wide, and that housing assistance will be distributed in an equitable manner to all residents throughout the Province. It is assumed that the municipalities and the residents will recognize and support this objective, and that the municipalities will accept their share of the responsibility of meeting Provincial, as well as local, housing goals.

Since more families require housing assistance than already receive it, the Task Force assumes that the Provincial policy will be to broaden assistance; that subsidized housing programs should give first priority to the needy who do not yet receive housing assistance, before improving the level of assistance to those already receiving it; but also that housing programs will be adequately funded to provide a suitable level of assistance to those requiring it.

Finally, the Task Force assumes that housing and community development programs will be viewed inclusively — that regional and local planning, land supply and servicing, development control, community facilities and services, housing assistance, housing finance and construction, will be seen as part of a single process, rather than treated as separate, isolated categories.

The Task Force is making many recommendations. Some are clearly more significant than others, but each will be of concern to some people. The recommendations flow from the Task Force's understanding of the present housing situation. They are intended to be viewed as a broad, combined approach to meeting the housing needs of Ontario's residents.



# Recommendations

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This list of recommendations has been extracted from the Task Force Report, with references to the paragraphs in which the recommendations are made. Sections 4 and 5 of the Report constitute the Task Force's recommendations on housing programs and Government organization for housing, which are shown here in abbreviated form.

## Housing Objectives

For the Government to pursue its housing responsibilities properly, Provincial housing activities should relate to the following housing objectives:

- a) To ensure the provision of housing for all households in adequate numbers, and at suitable locations to support community development in accordance with local and Provincial development policies.
- b) To demonstrate Government priority for housing by instituting suitable administrative procedures and providing required financial assistance.
- c) To assist in the provision of buildable urban land to implement development policies and to achieve stable land prices.
- d) To maximize the impact of available housing funds on housing production.
- e) To establish adequate programs and suitable administrative machinery at the provincial and municipal levels which clearly relate housing to social and welfare objectives.
- f) To maintain the quality of the existing housing stock.
- g) To provide equal and adequate help for persons with equal needs.
- h) To enable low- and moderate-income families and persons, and groups with special needs such as the elderly, native people, handicapped persons, students, and single persons to live in adequate housing conditions, at a price they can afford.
- i) To provide adequate choice in housing type and location and between owning and renting homes.
- j) To achieve the dispersion and integration of low- and moderate-income housing throughout communities generally.
- k) To secure the protection of the rights of home purchasers and tenants.
- l) To encourage improvement and innovation in housing construction, design and marketing, and land planning.

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## Housing Responsibilities

The following housing responsibilities should guide the Provincial Government's housing programs:

- a) To determine the current and future housing needs for all sectors of the community and for all groups with special housing needs, in all housing market areas of the Province.

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- b) To establish priorities which relate to social circumstances and to the relative needs of the different geographic areas of the Province, and to the overall Provincial economic and social development objectives.
  - c) To set specific housing targets for each of the housing market areas, and to relate these targets to the local regulation of community development.
  - d) To provide and manage assisted housing in a manner which will assure an equitable achievement of Provincial housing objectives, having adequate regard to local community development objectives and local housing responsibilities.
  - e) To organize the short-term and long-term financial obligations of the housing programs in relation to the Provincial budgeting process.
  - f) To assure the proper functioning of the housing programs through the Government's coordinating role for the joint actions of the private, public, and voluntary sectors.

271-275

## Government Organization for Housing

The aim should be the creation of a new Government Policy Field to combine all the physical aspects of urban and regional development, within which a Ministry of Housing should be responsible for housing policy and housing programs.

347

### A New Ministry

As a first step, a Ministry of Housing, Planning, and Local Government should be established now. The Ministry should be outside an existing policy field and separate from the Ministry of Treasury, Economics and Intergovernmental Affairs (TEIGA), but the new Ministry should assume responsibilities for urban and regional planning as well as for local government services which now reside within TEIGA.

349

The new Ministry should determine its own organizational structure, which should contain the following functions:

- a) Housing — the Government's central housing policy and planning unit.
- b) Urban and Regional Affairs — the present TEIGA Urban and Regional Planning and Local Government Services Divisions.

351

### Two Crown Corporations

The Ministry of Housing, Planning, and Local Government should be responsible for the activities of the Crown Corporations dealing with housing and community development:

- a) The Ontario Housing Corporation.
- b) The Ontario Housing Finance Corporation.

351

The Ontario Housing Corporation should continue with its present activities, except that the Ministry should assume policy and primary planning

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responsibilities. Some of the Corporation's housing management functions should be delegated under certain circumstances, and it should assume additional duties in connection with new community development, implementation of regional development plans, and municipal rehabilitation activities.

351

The Ontario Housing Finance Corporation should be established as a successor to the Housing Corporation Limited, and should be responsible for all the financial aspects of housing assistance and residential land acquisition.

351, 195, 307

The directors of the Board of the Ontario Housing Corporation and of the Ontario Housing Finance Corporation should be appointed for fixed overlapping terms. The Boards of the Corporations should be enlarged to provide direct participation from housing consumers and from the social development fields.

353

Consideration should be given by the Minister to the potential role of the Ontario Housing Advisory Committee, and if it is retained it should be broadened to reflect housing consumer and social planning interests.

353

### **Housing Responsibilities of the Ministry and The Crown Corporations**

The Ministry of Housing, Planning, and Local Government should be responsible for four broad types of functions:

- a) **Formulation of Housing Policy.** The Ministry's core function should be to establish policy and to plan and carry out the Provincial housing development program.
- b) **Development of Assisted Housing, Land Acquisition, and New Community Development.** The Ministry should direct the operational responsibilities of OHC and OHFC in respect of assisted housing programs, land acquisition, and other community development activities. The Ministry should also be responsible for coordinating the provision of community facilities provided through other ministries' programs.
- c) **Urban and Regional Planning and Local Government Services.** The Ministry should carry out the Provincial planning and development control functions, and the activities in connection with the supervision of local government organization and services, including the operation of municipal grants.
- d) **Management of Assisted Housing.** The Ministry should establish management policies. The management of land acquired for housing and community development should continue to be the responsibility of OHC. For assisted housing, the complete range of housing management functions in each area should be handled either directly by OHC or by local or regional housing authorities.

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### **Housing Responsibilities of the Municipalities**

The municipalities' responsibilities for housing should derive from arrangements established under the Provincial Housing Development Program. The

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delegation of Provincial housing responsibility should be linked to the delegation of Provincial planning responsibility. 356, 357

Authority for the management of assisted housing should be delegated to local and regional housing authorities as feasible. Local and regional housing authorities should operate within guidelines set by OHC and subject to performance and financial audit. 354

Local and regional housing authorities should be restricted to housing management functions. The identification of housing needs should be a municipal council responsibility. 354

Representation on the local and regional housing authorities should reflect responsibilities, and should therefore include municipal councils, local planning agencies, local school boards, and the Ministry of Housing, Planning, and Local Government. 355

Where municipalities are willing and able to undertake the responsibility for planning and developing assisted housing programs, in addition to managing assisted housing, this responsibility should be delegated to them. The delegation should be based on the adoption of a joint plan for assisted housing which sets out mutual objectives, agreed targets, and financial arrangements. 358

The responsibility for planning, developing, and managing assisted housing programs should be delegated to Metropolitan Toronto. Since Metropolitan Toronto does not constitute a housing market area the Province should ensure that adequate housing programs are carried out in the areas which surround Metropolitan Toronto. 359

The delegation of responsibility for assisted housing programs should be considered for other major urban centres, such as Ottawa, Hamilton, and Kitchener-Waterloo, and ultimately for any large urban areas which are willing and able to undertake this responsibility. In the large urban areas under the two-tier regional-local government structure the delegation arrangements should allow for local municipalities to exercise their own option to assume housing responsibilities where the regional level is unwilling to do so. 360

## **Federal-Provincial Housing Relationship**

The foundation of the Federal-Provincial housing relationship should be the establishment of machinery suitable for developing Provincial housing policy and suitable means of implementing that policy.

The Province should use the National Housing Act to its best advantage and take the following steps toward this end:

- a) The Province should negotiate about those aspects of the amendments which are open to discussion.
  - b) When the Province has established its housing policies and has determined major housing priorities, it should present to the Federal Government its funding requirements for a three-year program in respect of the NHA programs most relevant to the Provincial housing policies.
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- c) To satisfy Ontario's housing program requirements, in light of the Provincial housing development program when established, the Province should negotiate with the Federal Government either block funding arrangements or amendments to the NHA to get the kind of support needed for the Provincial program.

364, 366

## Provincial Housing Development Program

### Guidelines

The Provincial Government's housing responsibilities should be met by a variety of actions, all of which should be organized and administered under a Provincial housing development program. The program should be based on the following guidelines for Provincial involvement in housing, and guidelines for Provincial housing activities.

The Provincial involvement in housing should be directed to:

- a) Restoring the effectiveness of the private market to the extent most practical in the provision of housing.
- b) Supplementing the private sector at those levels where it cannot provide an adequate supply of housing.
- c) Providing assistance to persons whose incomes are inadequate to obtain suitable housing.
- d) Taking primary responsibility for initiating a broad-based housing program in all urban areas of Ontario. This implies, where necessary, assumption of total financial responsibility by the senior Governments.
- e) Providing both short-term and long-term programs for assisted housing at different levels (subsidized for low-income and unsubsidized for moderate- and middle-income), so as to prevent a serious imbalance at various levels of housing need.

209

For the selection of different housing actions the guidelines should be:

- a) Land supply should be given major emphasis, in both of its public elements — land servicing and public land acquisition.
  - b) The programs should lead to a housing supply which, in general, more closely matches the distribution of incomes, thus reducing the need for subsidized assisted housing. This implies a dual approach to the future housing supply — to reduce housing costs, and to adjust housing standards.
  - c) Land servicing should receive primary emphasis in the joint program of land servicing and land acquisition, provided that owners of developable land will meet an agreed commitment to bring such lands into housing production at reasonable prices which restore stability to the land market.
  - d) Public land acquisition for strategic intervention in the market should be subsidiary and should be used when the private market is unable or fails to meet established Provincial housing goals.
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- e) The mix of program activities at any given time should observe that:
    - Housing objectives are not pursued selectively.
    - The broadest variety of program methods and approaches is used.
    - Support is given at all required income levels, and for all types of housing needs.
    - Activities combine the expansion of supply and the support of demand in appropriate proportions at any given time.
    - Housing and regional planning activities are suitably coordinated.
    - Government direction of regional and community development is undertaken in order to *assist* housing production, rather than to raise standards or otherwise impose uniformity or inhibit the satisfaction of housing needs.

276

### Basis for Provincial Housing Development Program

The Provincial housing development program should be based on:

- a) Development of comprehensive information on housing, community development, demographic and social data, land data, and assessment data, with provision for periodic updating. 282
- b) Examination of the relative costs of the various housing components, causes for cost increases, and recommendations for stabilizing housing costs. 34
- c) Delineation of housing market areas for all urban areas of the Province. 282
- d) Estimates of current and future housing requirements for the Province and housing market areas, for the full range of housing requirements, including assisted housing needs. 282
- e) Established housing targets for housing market areas related to regional and local development policies. 284
- f) Estimates of land requirements and land servicing requirements related to housing targets. 285
- g) Combination of housing targets, land requirements and land servicing needs into phased programs for each housing market area. 286, 287
- h) Estimates of financial implications of housing development programs in terms of servicing costs, land acquisition, housing assistance, and financial support to municipalities. 288

To assure implementation of the Provincial housing development program, a method should be established to guarantee housing production at the local level, consisting of:

- a) Inclusion of a housing component in all plans — Provincial regional plans, regional and local official plans — under regulations specifying the content of the housing component.
  - b) Provincial-regional and Provincial-local agreements on housing targets to be achieved.
  - c) Agreements on financing of land servicing, community facilities, and housing development.
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- d) Monitoring of housing programs, with provision for financial incentives for further housing development, or financial sanctions for non-performance of housing development according to agreed targets.

314-321

## **Main Program Elements**

### **Land Supply**

Provincial land supply programs should meet the following purposes:

- a) To assure sufficient serviced land, at reasonable prices, to meet housing needs.
- b) To make provision for more than the minimum land needed to avoid tight land markets.
- c) To assure availability of serviced land in support of policies for regional development in the Province.
- d) To provide for the suitable distribution of serviced land within each urban area.

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### **Land Servicing**

A staged program should be drawn up which will assure primary service capacity in all housing market growth areas, three years ahead of actual expected land absorption.

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Provincial budget priority should be given to allow achievement of this goal in ten years' time, and the Ministry of the Environment should be requested to develop the necessary detailed program.

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The staging of the primary servicing program should be determined by giving first priority to areas of highest land prices and most serious housing shortages and second priority to the distribution of services within all major housing market areas. The service program should be carried out within the context of established regional development policies, based on commitments by land developers to produce required housing targets.

292

As a principle there should be a return to a general system of providing secondary services by municipalities rather than by developers, and the elimination of levies by municipalities for secondary services. Grants to municipalities for this purpose should be made available according to established financial needs based on a formula related to the per capita assessed value of municipalities. Among the qualifying municipalities priority for allocating grants would follow the same principle adopted for the provision of primary services.

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### **Land Acquisition**

Based on criteria to be established as part of the Provincial housing development program, the Province should:

- a) Undertake a comprehensive land program involving the acquisition of land where applicable for the following purposes:
  - Land for public housing.

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- Land for non-profit and cooperative developers.
  - Land for leased lots.
  - Land for new community development, and to implement regional planning policies.
  - Land for strategic intervention in the land market.
  - Land for municipal land banking.
- b) No *a priori* policy should be established on whether public land holdings are retained permanently in public ownership under leasehold arrangements or are ultimately sold to the users. These decisions should be guided by specific circumstances; among other things, municipalities engaged in land banking should be empowered to make their own decisions in this respect.
- c) Any specific Provincial authorization which may be required in order to permit municipalities to engage in land banking programs should be provided as a matter of course.
- d) Current expropriation practices should be reviewed with respect to their effect on municipal land programs. 108
- e) A total land acquisition program should be established which relates the various land needs in each housing market area to the regional development plan, to the servicing programs, and to the long-range development policies of the Province. 297
- f) The land acquisition program should consist of at least two elements: one part dealing with raw land for long-term needs, conforming to regional development policies; and the other part for specified short-term needs, requiring serviced land or land to be serviced early. 298
- g) Land for new community development need not involve public ownership of all lands concerned. Available funds should be used for strategically distributed land, and new community development should become joint public-private ventures. 105
- h) Public lands should be acquired as a reserve to influence the land market in critical shortage situations and to respond to immediate situations. Use of Government land for this purpose should generally be in conjunction with other Government programs, such as land servicing and financial assistance for municipal services. 106
- i) The Province should establish a land purchase fund in support of the land acquisition program, and the fund should be operated by the Ontario Housing Finance Corporation. 307

### Assisted Housing

As part of Province-wide housing policy and established Provincial housing targets, both short-term and long-term programs for housing assistance should be established, consisting of:

- a) A program for the direct provision of housing.
  - b) A housing assistance budget for subsidized housing activities. 200
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(Detailed recommendations on housing assistance programs are given in the following section.)

### **Other Assistance to Municipalities**

Assistance to communities in designated growth areas should be provided for necessary school building programs and other community services; at the least, the current restraint on school building should be modified by similar priorities as recommended for the land servicing program. 296

Provincial grants should be made to provide staff assistance to small growing communities for planning and control of growth according to regional development policies. Such grants should continue until such time as the municipal tax base has reached a pre-determined level. 296

### **Short-Term Housing Program**

A short-term housing program should be started immediately to speed up the general supply of single family housing and multiple housing in the three major urban areas of Metropolitan Toronto, Hamilton, and Ottawa, and possibly in some northern communities.

The Province, with the cooperation of the municipalities, should take the actions required to bring land onto the market quickly, such as completion of servicing, financial assistance to municipalities, and speed-up of the regulatory process.

The Province should secure agreements for voluntary price control of lands brought into early development through this program. 330-336

## **Housing Assistance**

Different sections of the community require and should get different kinds of assistance, both subsidized and unsubsidized:

### **Mortgage Assistance**

An Ontario Housing Finance Corporation should be established as a successor to the Housing Corporation Limited, with the following duties and responsibilities:

- a) To provide grants and interest subsidies for mortgages for low-income families; second mortgages for moderate-income families; and to enable purchasers of older homes to undertake needed renovations.
- b) To lend directly to individuals when and where the private market does not operate, and to owner-builders.
- c) To provide mortgages below market rate to non-profit organizations and cooperatives for the construction and rehabilitation of low-income housing.

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## Home Ownership Assistance — Leased Lot and Condominium

The ownership assistance program should involve:

- a) Establishment of the future requirements for assisted home ownership in different parts of the Province.
- b) Acquisition of an adequate amount of land for several years' supply of leased lots in suitable locations.
- c) Establishment of a housing finance budget for unsubsidized housing. 197
- d) The present condominium program should be continued as part of a program for assisted home ownership.
- e) The Province, through the Ontario Housing Finance Corporation, should serve as the lender of last resort for condominium development.
- f) Provision should be made for condominiums to be established on leased land. 198

## Subsidized Assistance

The Provincial Government should take the following actions to meet the needs for low-income housing:

- a) A thorough assessment should be made of the needs for assisted housing in all housing market areas of the Province. 200
  - b) The Province should continue to provide public housing in most communities of Ontario for the short term, until the supply of low-income housing more nearly approximates the need. 201
  - c) As a basic philosophy, the principle of supporting demand should constitute the basic objective of Government policy. In the long run, direct housing assistance for the poor should be replaced by income assistance, and should take the following approach:
    - First priority should be given to extensive publicly-sponsored housing construction to increase the supply of housing.
    - When an adequate supply is assured, a comprehensive shelter assistance program should be initiated. 204
  - d) The Government's subsidized housing program should give first priority to housing assistance for the needy who do not yet receive it, rather than improving the level of assistance to those already receiving it. 202
  - e) Early programs should emphasize supply rather than the improvement of housing demand. When the supply situation eases, there should be increasing emphasis on rent supplements and other forms of income maintenance, as part of Provincial income programs.
  - f) Methods for producing "integrated housing" — such as secondary mortgage assistance with 25 percent subsidized units — should be used for a limited number of years to test and evaluate their suitability. 205
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## Public Housing

The Provincial Government should take the following actions with respect to issues involved in the provision and management of public housing.

### Location

The Provincial Government should be responsible for organizing the provision of assisted housing so as to assure an equitable achievement of Provincial housing objectives, having regard to local community development objectives and local housing responsibilities. The location of public housing should relate to the social desirability of housing a range of income groups in all communities, and the spread of responsibilities for public housing among municipalities.

217

### Site Selection

- a) The developer proposal form of public housing should be retained in areas where the system produces acceptable sites. Where this is not the case the system should be changed, through prior public site acquisition, to ensure suitable sites.
- b) In using publicly acquired sites, tendering methods should be used alongside developer proposals to establish the benefits and drawbacks of both methods.
- c) In the use of either developer proposal or tendering methods both suburban and central area sites should be provided for the families and senior citizens benefiting from each kind of site, and the site selection process should be conducted openly.
- d) While local residents should continue to be involved in determining the *use* of lands in their community, they should not be in a position to determine *who* will be living in their neighbourhoods and communities, and therefore should not have the right to veto public housing. However, there should be open consultation among all parties concerned, including local residents, in producing public housing.

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### Community and Social Facilities

- a) Funds for the supply of services and facilities should be made available according to overall community needs rather than restricted to public housing needs. The responsibility for providing community services should rest with the municipality, rather than with OHC, recognizing that special occupancy characteristics may require particular attention in public housing projects, for which there should be special financial assistance.
- b) Major social and recreational facilities in public housing developments should be available to the residents of the surrounding neighbourhoods.
- c) Publicly-initiated housing production, whether built for public or private ownership, should be directly related to the provision and

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financing of community facilities and services in each community, in order that the existing inadequate provision of such services is overcome through new development.

221

### Tenant Issues

- a) There should be a thorough review of public housing rents which takes into consideration the type of accommodation provided and rents in the private market as well as individual income circumstances. 226
- b) The comprehensive review of the rent-geared-to-income scale should be related to the larger question of income maintenance. In principle, rents should not be set so as to frustrate tenant incentive.
- c) A maximum "fair rent" should be set for all units which relates to the cost of producing the housing and which would allow tenants to accumulate enough resources to move into the private market if they wish. 228
- d) Uniform residence requirements should be applied for public housing in all communities, including Metropolitan Toronto. 229
- e) The right to refuse an offered dwelling should not be denied to public housing tenants; they should not lose their priority position because of such refusal, and their freedom of choice in moving from their existing dwelling to any other dwelling which may become available should be facilitated. 230
- f) Until the supply of assisted low-income housing is brought closer to the need for such housing in any area, the residents of any particular neighbourhood should not receive priority for housing in any given project. 231
- g) The term of public housing tenants' leases should be extended to two years. 232
- h) Tenant participation in all aspects of management relating to day-to-day activities should become a general practice in assisted housing developments.

### Housing for the Elderly

Continuing provision and management of adequate housing for the elderly should be further assisted by the Provincial Government in the following ways:

- a) Senior citizen housing should be provided in maximum variety to fit living habits in regard to type of housing and to suit locational preferences; it should also allow for preferences and ability to pay for different kinds of accommodation. 247
- b) A different rent formula for senior citizen housing should be established which takes account of the financial circumstances of older people with no income or fixed incomes. 246

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- c) Provision of housing for the elderly should not be solely a direct Government responsibility. Non-profit groups, cooperatives, credit unions and others should be assisted by the Government to develop housing for the elderly. 244
  - d) The public responsibility for senior citizen housing in Metropolitan Toronto should be handled by one agency and should be subject to uniform subsidy arrangements. 243
  - e) A senior citizen housing registry should be established in each housing market area to list and give advice on all types of housing for elderly persons. 245
  - f) The Province should initiate a program to secure suitable family units vacated by elderly persons on transfer to senior citizen housing. 206

### Other Groups with Special Housing Needs

Provincial Government assistance to groups with special housing needs should proceed on the basis of the following guidelines:

- a) The actual and relative housing needs for each of the special groups should be established.
- b) Special housing needs should be served by a variety of appropriate housing types and locations.
- c) The housing needs of several of the special groups are identical or complementary. Wherever possible, housing assistance to meet the needs of special groups should be satisfied in an integrated manner, to assure greater flexibility in providing for changing housing demands, to achieve socially compatible community development, and to prevent isolation of individual groups of people. As a general principle, planning should be directed to the housing unit, rather than to specific types of occupancy at any given time.
- d) Persons and groups with special needs should have full access to assisted housing. 249

### Native People

- a) Approaches to housing assistance to native people should be guided by their preferences in regard to self-help, ownership rather than rental housing, and community involvement.
  - b) Different ways and different housing styles should be adopted in providing housing for native peoples, depending on locations and on preferences.
  - c) The Province should negotiate with the Federal Government about financial housing assistance for Status Indians off the Reserves.
  - d) Claims concerning discrimination against Indian applicants for public housing should be examined; and if it is found that discrimination does occur, it should be corrected. 253
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## Handicapped Persons

- a) The Social Policy Field of the Provincial Government should examine the social needs of physically handicapped persons and make recommendations on how to meet those needs, in terms of housing and related housekeeping assistance.
- b) The Province should ensure, possibly through adoption of Supplement No. 5 of the National Building Code, that sufficient units structurally suitable for the physically handicapped are provided.
- c) Loans and grants should be made available to the handicapped for home alterations to their needs.
- d) Units for handicapped should be made available in both senior citizen and public family housing.

256

## Mentally Retarded Persons

- a) The housing needs of the mentally retarded, and suitable programs, should be established by the Social Development Policy Field of the Government.
- b) The main public support for housing the mentally retarded in need of housing assistance should be directed through charitable and non-profit organizations established to care for the retarded.

258

## Roomers

- a) The single room or efficiency apartment needs for single low-income persons, elderly, and students should be established.
- b) A suitable program for roomer accommodation should be related to housing programs for other special groups needing similar types of housing.

261

## Student Housing

- a) The development of student housing programs should be related to enrolment and to the local housing market.
- b) Off-campus student housing should be provided as part of the general assisted housing supply for smaller rental units, as far as possible.

266

## Directions for Change in Housing Assistance

The following principles should guide the Provincial Government toward its longer-term objectives:

- a) Housing assistance, subsidized and unsubsidized, should be organized on the principle of "assistance ladders" more closely related to the operation and freedom of choice of the normal housing market. The principle would provide:
  - For the *family* to move through rented accommodation to home ownership.

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- The *dwelling units* should be able to serve both the need for rental accommodation and for ownership. 235
  - b) As the supply of subsidized assisted housing increases, provision should be made toward economic rents and tenant purchase, and the present selective tenant purchase program should be reviewed in the light of local circumstances. 238
  - c) Publicly sponsored assisted housing developments, where the sites are large enough, should comprise both *subsidized* and *non-subsidized* assisted housing; *rental* and *ownership* housing; and housing for *low-income* and *moderate-income* families. 239
  - d) A broad-based approach to the provision of assisted housing should include opportunities and support for cooperative and other non-profit housing groups. 240

## Other Housing and Related Program Elements

### Constraints on the Housing Process

The Provincial Government's responsibilities for determining and applying land use policies, programs for planning and development, and establishing regional governments, should be carried out in accordance with the following recommendations:

#### Planning

- a) The Province should give prompt consideration to the following recommendations by the Ontario Economic Council:
  - Preparation of a Provincial structure plan establishing an overall strategy for Provincial development, and including, for each of the five Provincial regions: social and economic goals; basic policies relating to the conservation of the physical and social environment and the welfare of the inhabitants; specific Provincial programs for achieving Provincial goals and policies in each region.
  - Establishment of comprehensive Provincial objectives and policies respecting social development and environmental quality.
  - Decentralization of Provincial administrative and operating machinery affecting regional development.
- b) Provincial development goals for the five Provincial Planning Regions should be established expeditiously, and authority for regulating development in accordance with these goals should be delegated to the municipalities. The inclusion of housing policies should be mandatory in regional and local official plans.
- c) In establishing the boundaries of future regional municipalities, suitable consideration should be given to their likely impact on the provision of housing, and suitable procedures should be set to ensure continued housing development while regional official plans are under preparation. 56

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- d) The current planning program for the Central Ontario Region should be re-evaluated with respect to its implications on short- and long-term housing requirements. The other regional planning programs should contain a housing component.

325

### **Development Standards**

- a) The Province should establish suitable minimum development and occupancy standards, taking into account regional variations in physical and economic characteristics, and should not allow municipalities to impose higher requirements except for demonstrated acceptable cause.
- b) Suitable procedures should be established for periodic review of minimum standards, taking into account their relation to the municipal tax base.

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### **Development Regulations**

- a) The regulatory process should be clarified so as to secure a clear determination of responsibility for development approvals, distinguishing among Provincial, regional and local responsibilities and identifying clearly the final responsibility for approval.
- b) The administration of regulations should be simplified and speeded up. Policies, regulations and procedures to be followed should be written and published. Firm deadlines should be set for processing development applications; the basis for departmental or municipal recommendations should be clearly specified, and should be subject to public review and appeal.

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### **Supporting Services and Facilities**

- a) The Province should review servicing standards and establish suitable minimum standards for each service, whether supplied by the Province or by the municipalities.
- b) The Province should examine the effects of its environmental control standards on housing, and establish suitable minimums which allow for interim solutions and for adaptations geared to regional and local circumstances, in order to overcome impediments to housing development.
- c) Financial assistance by the Province to the municipalities for services should be related to minimum standards; servicing costs above minimum standards should be paid for solely by municipalities, and should not be passed on to the developer and home-purchaser in the form of a levy.
- d) The application of Provincial budgetary constraints on specific programs for services or supporting residential facilities should give consideration to their impact on the provision of housing in different

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localities, and should allow for modifications relating to local housing circumstances.

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## Rental Housing

A conscious program should be undertaken to revitalize the rental sector and ensure the continued provision of an adequate supply of rental housing. It should involve some or all of the following measures, depending on local circumstances:

- a) Establishing Provincial policies concerning apartment development, including performance or other criteria to be used as a guide for municipalities and the Ontario Municipal Board in dealing with multiple housing proposals.
- b) Promoting the development of municipal zoning regulations which would facilitate the construction of alternative forms of medium- and high-density residential buildings.
- c) Ensuring that municipal decisions to down-zone existing high-density residential sites are made in relation to overall housing needs and established housing targets.
- d) Promoting the development of suitable regulations to ensure that new medium- and high-density housing makes adequate provision for the needs of families with children.
- e) Encouraging municipalities and developers to locate suitable sites for high-density residential development in areas presently zoned for non-residential use, and, where necessary, making grants available for increased local service costs.
- f) Supporting the continued development of condominium apartments through Provincial mortgage assistance programs.

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## Rehabilitation

The Provincial Government should support rehabilitation of older homes according to the following recommendations:

- a) The Province should supplement the Federal rehabilitation program by provision of additional funds, and by extending rehabilitation assistance to communities and neighbourhoods which are outside of the designated improvement areas contemplated in the Federal program. This should involve grants for low-income families, as in the Federal program.
  - b) Publicly funded rehabilitation programs should be based on varying sets of standards which conform to local neighbourhood or community criteria, rather than employing uniform national or Provincial standards.
  - c) Municipal occupancy standards and zoning specifications should be revised to facilitate the conversion of large underused houses for multiple family occupancy, based on suitable development standards.
  - d) Provincial funds should be provided for community facilities and services needed to support increased housing arising through rehabili-
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tation and community improvement programs. In particular, there should be a Provincial 25 percent grant to match the Federal grant for upgrading services.

- e) Provincial support should be provided for municipal redevelopment programs requiring clearance as well as rehabilitation in specific areas.
- f) The legislative requirements for approval of municipal redevelopment and rehabilitation programs should be simplified, and the number of specific Ontario Municipal Board approvals reduced.

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## **Non-Urban Housing**

To overcome some of the difficulties concerning non-urban housing, the Provincial Government should:

- a) Review service requirements for rural areas to allow for non-urban standards.
- b) Allow, in suitable cases and locations, septic tanks and other short-term measures in order to increase the supply of rural housing.
- c) Provide mortgage assistance, with interest subsidies where necessary.

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## **Voluntary Housing**

The Provincial Government should assist in the production of low- and moderate-income housing provided by non-profit housing organizations by:

- a) Leasing land to non-profit groups below cost in the initial years, with a provision to recapture the "loss" during later years of the lease.
- b) Extending 10 percent capital grants to housing for the elderly and to mixed-income projects which operate with an internal surcharge and subsidy system.
- c) Extending assistance to the voluntary sector to train social and housing development staff.
- d) Providing financial assistance to underwrite the administrative costs of rehabilitation projects.

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## **Mobile Homes**

The Provincial Government should encourage the development of mobile homes as a component of the total housing supply by the following:

- a) The Province should develop suitable standards for mobile home development on a permanent basis in urban municipalities. These standards should include location and performance specifications and suitable tax arrangements, and should distinguish between permanent and transient mobile homes.
- b) Upon formulation of such standards, the Province should not allow municipalities to exclude mobile homes as a permitted use under zoning bylaws.

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## Protection of Home Purchasers and Tenants

The Provincial Government should strengthen existing legal protection available to housing consumers according to the following categories:

### Home Purchaser Protection

- a) Builders should be required to issue a warranty that guarantees repairs of defective construction.
- b) Courts should be empowered to adjudicate warranty disputes.
- c) Government financial assistance should be provided for home owners who are unable to afford legal expenses.
- d) If a national CMHC-HUDAC program works out successfully, the Provincial program should be reviewed in this light.

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### Tenants Rights

- a) The Landlord and Tenant Act should be amended to establish Landlord and Tenants Courts or Tribunals in each community to hear disputes from notices to evict, failure by one party or the other to effect repairs within a reasonable time, and other management matters. In general, these tribunals should aim to provide tenants with greater security of tenure by requiring landlords to show "just cause" for eviction. These tribunals should also provide a vehicle for landlords to bring complaints against tenants. Such tribunals should be particularly accessible to tenants receiving welfare assistance and other tenants not possessing leases. Adequate explanatory material should be made available for such persons. Tribunals should be relatively informal, should meet often to handle cases quickly, and should hold evening and Saturday sittings.
- b) A "package" of law and instructions should be legally required in every residential lease. This package should include the rights and responsibilities of the landlord and the tenant found in Part IV of the Act. All clauses inconsistent with these rights and responsibilities should be illegal and their inclusion subject to legal sanctions. The size, spacing and printing of "standard" lease forms should be regulated. Translations of landlord and tenant statutory material should be available in multilingual areas.
- c) The Act should be amended so that the definition of "rented premises" includes all fixtures and appliances, and all elevators. Where landlords fail to maintain elevators regularly the Government should be empowered to do so and bill the landlord.
- d) The Act should be amended to require landlords to include in the lease all common areas and recreational facilities offered and advertised as benefits for the tenant, and to repair and maintain them.
- e) Tenants should be guaranteed freedom of association, short of collective bargaining.

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## **Rent Control**

Rent control should not become part of Provincial housing policy but as a matter of priority the Government should examine the residential rental market, rent scales, construction impediments, and methods for assuring the required supply and reasonable cost of rental housing.

183

## **Condominium Sale**

The Provincial Justice Policy Field should be requested to examine and report on appropriate ways of securing the rights of condominium purchasers which are prejudiced by builders' closing of sale and settlement procedures.

185

## **Fees in Sale and Purchase of Properties**

- a) The Provincial Justice Policy Field should be requested to examine and report on the matter of fees in the sale and purchase of properties.
- b) The Province should review existing municipal fees concerning house building and development, and should set uniform standards for setting such fees.

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# Housing Issues and Housing Objectives

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The Task Force presents its report in the context of its best understanding about the nature of the present housing situation in Ontario. Like every serious attempt made by others in this area, the Task Force is impressed by the wide range of issues to be considered and the complexities of the relationships involved in dealing with “housing”. These complexities demand that easy answers be dismissed because they offer no lasting solutions.

## The Nature of Housing Demand and Housing Needs

2

The basic demand for housing exists, is sustained, and grows because of population factors such as natural increase, migration, and new family formation. This demand can be measured and estimated.

3

Housing demand is also greatly influenced by living standards and housing standards. Housing has become more spacious, more elaborate and better equipped. The setting around the houses requires increasingly more investment, and general community development provides more facilities and pays greater attention to the environment than ever before. This demand changes, normally upwards, but is less predictable.

4

Housing demand is further affected by social factors. The housing preferences of different social and income groups tend to focus on certain housing types or housing locations. This demand, though real and effective, is difficult to anticipate.

5

A more predictable housing demand is generated through public policies and programs which provide housing assistance for people who are housed inadequately or at a price which is too high for them. Part of this demand is satisfied by public programs such as public housing or assisted home ownership, and part remains unsatisfied.

6

The “effective demand” for housing is, by definition, being met, in that all people are housed somewhere, in some form. Housing “needs” consist of the kind of housing which people want and cannot get because it is not available, or because they cannot pay for it.

7

Housing needs can be met in any area by more housing construction, by improvements to older housing, by adjusting family budgets, by financial assistance, by people moving away to other areas, and by people’s acceptance of the housing they live in. This means that there are significantly different types of housing needs:

- a) **Physical housing needs** include those housing requirements generally lumped together under the term “housing gap”. Physical needs relate to: inadequate number of dwellings; shortage of certain types of dwellings (e.g., small units or very large units); substandard conditions of housing; and maldistribution of units in terms of growth areas, transportation access, places of work, etc. Physical needs relate to

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different geographic areas, and to the poor as well as to those who can afford to pay for their housing.

- b) **Financial housing needs** relate to two financial considerations: (i) the cost of housing, and (ii) the ability to pay for housing. The first establishes **General Financial Housing Needs** of the population as a whole, because the cost of housing affects the cost of living and the general economy. High or rising costs affect sections of the community unequally. The cost and shortage of housing has a general effect. Among those who can pay the high costs, inequities arise; new households and moving households bear the full impact of rising costs while those who stay put gain in equity.

The second financial consideration — ability to pay — establishes **Special Financial Housing Needs** concerning the amount of money spent on housing related to income; these are generally understood by the term “income gap”. These needs are felt by low- and moderate-income households and by specific community groups such as the elderly on fixed incomes, native people, handicapped persons, students and roomers.

8

The magnitude of these physical and financial housing needs depends to a considerable extent on physical standards and on what are considered “acceptable” family budgets. The prevailing standard of housing and the accepted measure of reasonable family expenditure for housing will determine which people and how many people have particular housing needs.

9

In these terms, almost everyone in Ontario has housing needs. On the physical side, even some families with high incomes have unsatisfied needs, generally of a locational nature. Low- and moderate-income people have the greater needs. For all practical purposes most persons and families — except the very rich — have financial housing needs of some kind and to some degree. The poorer people in the Province usually have both physical housing needs and financial housing needs.

## The Nature of Housing Assistance

10

Housing assistance is provided in response to housing needs, and the kind and degree of assistance given tries to adjust to varying needs. Housing assistance is given to the consumer, e.g. mortgage insurance, leased lots, public housing; it is also given to the housing producer, e.g. mortgages at or below market rates, and supporting services for housing.

11

Although most of the assistance is financial in some measure, there is a crucial difference between two types of financial assistance — subsidized and unsubsidized. There is general awareness of housing assistance programs supported at a cost to the taxpayer. Other public programs which help the home purchaser or the home builder are less readily considered as

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“assistance” because they are provided at no public expense in the long run. While funds have to be raised, the operation of such programs is self-supporting over time; some even make a small profit.

12

The rent-geared-to-income program for low-income and welfare families and for elderly persons is typical of subsidized assistance. Unsubsidized assistance, such as mortgage funding and the leasing of lots for single-family homes, is generally geared to middle- and moderate-income families.

13

The Task Force concludes that two things have been happening in Ontario over the last ten years, slowly at first and more rapidly recently. First, a declining proportion of households can manage to provide housing for themselves without assistance of any kind; and second, the amount and kind of assistance required, both by moderate income families and by the poor, is increasing and changing. The situation is not uniform throughout the Province, and in some sections home ownership is still relatively accessible; but for many families who could have bought homes a few years ago, home ownership today is generally possible only under the Government's leased-lot program.

## The Nature of Housing Supply

14

The demand for housing and the supply of housing do not operate independently. Changes in needs and housing expectations, and the availability of housing assistance generate a supply response. But under increasing demand there is a lag in the supply, because additions to the housing stock in any one year constitute only a small proportion compared to the total stock. A slow-down in supply cannot be made up quickly. It is necessary to keep the flow of production going and in the right places; money alone cannot always fill the gap because housing takes time to produce.

15

New housing has always been too costly for many people who have made their homes in older houses. These are no longer available today in sufficient numbers and at reasonable prices, because with the shortage and rising cost of new housing the price of old housing has gone up as well.

16

Several constraining circumstances have distorted today's housing supply. Some of them have also helped to bring about the generally high quality of community development in many parts of Ontario. The constraining circumstances have been:

- a) Rising standards, inside and surrounding new homes, have led to housing production geared only to middle- and upper-income families; for the low- and moderate-income families there is practically no new housing supply, except under Government auspices.
- b) The growth of several urban centres has been very rapid, and land supply and housing construction have failed to keep pace.

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- c) Environmental concerns have led to stricter controls which have had the effect of limiting the supply of housing land.
  - d) The planning process and related procedures have slowed down community development and housing production.
  - e) Greater community participation in development decisions has frequently slowed down or prevented proposed housing construction.
  - f) Housing planning has not been integrated into the planning process.

## The Housing Supply Process

17

The housing production process today reflects our generally mixed public-private economy. Housing can be provided only if both sectors work together; the developer is completely dependent on the government, and the public needs the housing produced by the developer. Public engagement in the housing supply process takes many forms: land servicing, the regulation of development, direct housing assistance to many people, labour regulations, taxation of materials and other tax measures, land acquisition, and monetary policies.

18

Despite the public role in the housing process, the constraints on production together with rising housing expectations have led to a widening gap between the kind and cost of housing that is or can be provided and people's ability and willingness to pay for it.

19

The implications of the situation are:

- a) The private sector and the government have to accept and adjust to the fact that housing provision has become a joint private-public service, rather than a simple marketing operation.
- b) The constraints to housing production must be overcome in the interest of halting cost increases; otherwise the housing of Ontario's families will become increasingly difficult and increasingly a matter of subsidization.
- c) The type and kind of housing to be produced should move toward the provision of housing which more closely matches, not expectations, but needs. At current costs, *it is not possible* to house the people of Ontario in single-family houses at today's standards and expect a majority to be able to pay the full price. Other forms of housing, at different and more realistic development standards than currently demanded, will be needed. Prevailing public attitudes will be affected.

## Housing Objectives

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The Task Force is charged with making recommendations on the appropriate role of the Provincial and local governments in helping to meet the housing

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needs of the residents of Ontario. At present that role rests on previous general statements accepting responsibility by the Provincial Government for providing adequate accommodation for its citizens; on the operation of a variety of programs in conformance with national housing policies; and on the provision of services and community facilities supporting housing development.

21

In order that the Government may pursue its housing responsibilities, especially in light of the present housing situation in the Province, the Task Force recommends that Provincial housing activities should relate to the following housing objectives:

- a) To ensure the provision of housing for all households in adequate numbers, and at suitable locations to support community development in accordance with local and Provincial development policies.
- b) To demonstrate Government priority for housing by instituting suitable administrative procedures and providing required financial assistance.
- c) To assist in the provision of buildable urban land in order to implement development policies and to achieve stable land prices.
- d) To maximize the impact of available housing funds on housing production.
- e) To establish adequate programs and suitable administrative machinery at the Provincial and municipal levels which clearly relate housing to social and welfare objectives.
- f) To maintain the quality of the existing housing stock.
- g) To provide equal and adequate help for persons with equal needs.
- h) To enable low- and moderate-income families and groups with special needs such as the elderly, native people, handicapped persons, students, and single persons to live in adequate housing conditions, at a price they can afford.
- i) To provide adequate choice in housing type and location and between owning and renting homes.
- j) To achieve the dispersion and integration of low- and moderate-income housing throughout communities generally.
- k) To secure the protection of the rights of home purchasers and tenants.
- l) To encourage improvement and innovation in housing construction, design and marketing, and land planning.



## The Present Housing Situation

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### Recent Trends and the Current Position

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The demand for housing in Ontario has been increasing in recent years. This is reflected in rapidly rising costs and actual or projected shortages in various sectors of the housing market. Increased demand stems from the Province's rapid rate of urbanization and has been most pronounced in the larger, rapidly growing urban centres. The Toronto, Ottawa and Kitchener areas have been growing at a rate of 15 to 20 percent every five years, and the other major centres by 10 to 15 percent. In the rest of the Province the total population has been relatively stable.

23

During this period of rapid urban growth, housing demand has increased at an even faster rate than population. The main reasons have been:

- a) Increases in family incomes have exceeded increases in the cost of living, particularly in urban centres. This has allowed families to devote a larger proportion of their income to housing.
- b) Undoubling of dwellings shared by two or more families has accompanied the rise in family incomes.
- c) The proportion of unattached individuals and other non-family households occupying separate dwellings has increased significantly.
- d) The rise in house prices and the exemption of the sale of family homes from capital gains tax have made home purchase an attractive investment.
- e) The critical shortage of available houses in the last few years has induced some panic buying in many areas.

24

High housing costs and shortages are being experienced in some smaller communities as well, particularly in northern resource communities, and also in many rural areas. These problems stem from:

- a) A shortage of serviced and serviceable land.
- b) Municipal inability to finance services, particularly in unorganized municipalities.
- c) High cost of materials stemming from prevailing transportation cost practices.
- d) Difficulty in obtaining institutional and individual investment in communities with limited life expectancy and in remote areas and rural areas generally.
- e) Difficult terrain and scattered population distribution adding to the expense of constructing and installing services.

### Housing Supply

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There is little available data on the characteristics and condition of existing housing in the Province, but the physical production of housing has outpaced

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the growth in housing need. Between 1961 and 1971, 623,000 new dwellings were added to the housing stock, while the number of new families rose by only 506,000. These trends were reflected in a reduction in the average number of persons occupying each dwelling unit and the number of units occupied by more than one family.

26

Improvements in housing supply have not been uniform. The number of new dwellings built exceeded the number of new families in Toronto, Ottawa, Hamilton, Kitchener, Kingston, St. Catharines and Guelph. But in Windsor, Sudbury, and Brantford less than one unit was built for each additional family. In the other major urban areas the ratio of new units and new families was about even.

27

In the last decade there has been a decline in the rate of single-family house construction and an increase in the rate of apartment construction. Between 1966 and 1971 apartments comprised nearly 70 percent of new housing starts in Metropolitan Toronto and more than 40 percent of starts in many other large communities. Moderate density multiple housing, such as row houses, have been an important part of the new housing supply only in Ottawa. The trend toward apartments has now slowed down and even started to reverse in many communities. This is due both to the relatively uneconomic condition of the apartment market, given prevailing construction costs, and to the mounting opposition from local neighbourhood groups to multiple dwellings, particularly high-rise apartments.

## Housing Costs

28

From the limited data available it appears that the cost of new homes has increased faster in Ontario cities than elsewhere in North America, and that the prices of new homes are higher in Toronto, Ottawa and Hamilton than in most other major North American cities. Overall, the price of new and resale homes in Ontario rose by about 85 percent between 1961 and 1971. Since then, the increase in prices has been even faster. House prices in Metropolitan Toronto rose by nearly 20 percent in the first three months of 1973, and by 8 to 16 percent in other Ontario cities.

29

The rising cost of land has been a significant factor contributing to increased house costs. Between 1961 and 1971, the cost of housing land increased between 60 and 340 percent in major Ontario cities, and averaged 200 percent for the 12 largest cities.

30

The other components of housing costs have also been rising, though not quite as rapidly as land costs. Between 1961 and 1971 the average cost of building materials rose by about 45 percent across the Province, and labour costs rose between 55 and 160 percent in the larger cities.

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All three cost elements — land, labour and materials — have been increasing even more rapidly since 1971, though the actual figures are not readily available. The shortage of serviced building land has produced a sharp price

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escalation in many areas; increased sales taxes have affected the cost of building materials; and labour costs have also been rising sharply.

32

The cost of home financing has also risen. From 1961 to 1970, interest rates rose from 7 percent to 10 percent adding at least 20 percent to monthly home ownership costs. Although interest rates fell somewhat in 1971 and 1972, they are now rising again, and are approaching the 1970 level. The rise in interest rates not only leads to increased housing costs for consumers, but also tends to inhibit development activity.

33

Rents have not increased as rapidly as ownership costs in most parts of the Province. Only in Ottawa and Sault Ste. Marie, among the major urban areas, have rents gone up more than ownership costs; in Thunder Bay the increase has been about the same for both rents and ownership costs, and in the other cities ownership costs have gone up much faster than rentals. The relative stability of the rental market is credited to the high rate of apartment construction, but there are indications that apartment rentals will go up sharply in the next few years, both because of the curtailed supply and because current profit margins are considered inadequate by most apartment builders.

34

There is an urgent need for the Government to come to grips with the housing cost situation in all its aspects. While the influence of land costs can be seen clearly and programs instituted to deal with this aspect of the problem, it is also necessary to have a clear understanding of the other cost factors in order to take effective action concerning housing costs.

## RECOMMENDATION

*The Government should undertake, as a matter of high priority, a comprehensive review of housing costs which: i) Establishes the relative costs of the various housing components; ii) Establishes the causes of current increases in costs; and iii) Makes suitable recommendations for stabilizing housing costs.*

## Housing Needs

35

The full measure of the nature or extent of housing "need" in the Province today cannot be established. Such a measure must take account not only of objectively defined standards of housing "adequacy" but also subjective standards of "acceptability". These standards change over time and in response to changes in family income, life styles and experience with different types of housing. But however housing "need" is defined, it relates to persons who are experiencing either an unsatisfactory physical standard of housing or an unsatisfactory cost of housing. Uniform measures for determining physical housing adequacy and the "right" amount of money spent on housing may yield deceptive results insofar as different people (regardless of income) attach unequal importance to housing. There is a difference between "ability to pay" and "willingness to

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pay", and there is also a difference between "having to live" and "wanting to live" in more modest housing circumstances.

36

The easiest housing needs to identify are those associated with income and cost of shelter. The physical condition of housing in Ontario is by and large satisfactory in that it meets accepted standards. Some persons are housed badly, in a physical sense, and in some cities some people are living in accommodation which is physically adequate but overcrowded. In general the housing problems of Ontario do not appear to relate to the physical condition of accommodation but mainly to its amount and its cost.

37

Average family incomes have gone up faster than the overall cost of living and many Ontario families have more money available to pay for housing. But because the cost of home ownership has risen more than increases in income, the proportion of families able to buy homes rather than rent is declining. The number of families who pay more than they can afford for housing is also rising. Available data in this area is incomplete, but in 1969 it was estimated that about three-quarters of the families receiving less than \$3,000 per year, and more than a third of the families receiving between \$3,000 and \$6,000 per year, paid over 25 percent of their income for shelter. At that time more than two-fifths of the families with less than \$3,000 spent more than 40 percent of their income on shelter.

38

The situation has undoubtedly worsened since 1969, though actual figures are not available. From the data which is available it can be concluded that at that time home ownership was virtually inaccessible to those earning under \$8,000 per year, accessible but "expensive" for those earning \$8,000 to \$12,000, and accessible and reasonable for those earning over \$12,000. Also, at that time (1969) housing took a disproportionate amount of income from renting families receiving less than \$8,000.

39

By any definition socially and politically acceptable in Ontario today, it can be assumed that between 300,000 and 400,000 families are experiencing housing needs, depending on the housing standards applied and the reliability of the data used. This means that for perhaps one-sixth of the Province's households the predominant need is to secure housing which they can afford. Nearly half of these families are in the lowest income group, receiving less than \$3,000 per year.

40

The need for housing assistance has never been as great in Ontario as it is today. It stems from three main factors:

- a) The current high standard of housing.
- b) Current notions about the proportion of income which should be spent on housing.
- c) The failure to provide cheaper housing, or at least to prevent steep increases in the cost of housing.

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Other housing needs which can be identified concern people in special circumstances, such as elderly persons, handicapped persons, students, native people and single persons in rooms. The needs of these groups are essentially an aspect of low-income housing needs, complicated by their special circumstances.

42

It is not possible, from available information, to establish specific needs related to the physical form of housing. But the large proportion of the population in the 20 to 35 age bracket suggests that the demand for family housing will remain strong for some time to come in most parts of the Province.

43

Apart from financial needs and the requirements of specific groups, the need which can be most clearly identified is that of housing land. The total land needed for new housing in the 20 main urban areas of the Province is estimated at about 65,000 acres for the period from 1971 to 1981, and another 75,000 acres between 1981 and 1991. These areas account for almost three-quarters of the population in the Province today. Well over half of this land requirement is in the Hamilton-Toronto-Oshawa region — about 45,000 acres for each of the two decades.

44

The forecast of housing land requirements is based on earlier Provincial population projections and on past patterns of land use, and should be regarded as tentative at best. If the current rejection of apartments continues on an extended scale, for example, the residential land requirement in the Toronto area may increase by up to a third, or an additional 10,000 acres; proportional increases may be necessary in Hamilton, Ottawa and some of the other large cities as well. It is evident that public or private decisions to stress low-density over high-density development will result in an increased demand for serviced land in these centres.

45

The projected residential land requirements account for only about half of the land needed for urban purposes. To accommodate future population growth and to provide an adequate choice of locations for housing and non-residential uses, the land supply target should at a minimum be double the estimated requirement for housing land. A reasonable forecast of the need for future serviced land in the 20 main urban areas of the Province up to 1991, is about 300,000 acres.

## Constraints on the Housing Process

46

A number of factors are operating to constrain the process by which housing is produced in the Province. Some of these constraints originate with the development industry and, insofar as they relate to the actual production of buildings, they fall outside the scope of the Task Force review, though they require Provincial attention. The application of national

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monetary policies and other Federal fiscal activities is similarly outside the scope of this exercise, but is also within the scope of the Province's attention. The constraints which are examined are those which relate directly to Provincial governmental responsibilities and activities. These concern mainly the question of government organization, Provincial and municipal planning, the regulation of development and development standards, municipal finance, the provision of services, the supply of land for housing and related purposes, the rental housing situation, and housing rehabilitation.

## **Government Organization**

47

Most of the Government's responsibilities affecting housing are not defined or perceived as "housing" responsibilities, and are not assigned or carried out as part of an overall Government housing policy. There are seven ministries with major responsibilities affecting housing: Environment (services); Transportation and Communications (roads); Education (schools); Health (occupancy standards and septic tanks); Natural Resources (Crown Lands); and Treasury, Economics and Intergovernmental Affairs (development control, regional planning and municipal affairs). The Minister of Revenue has major housing responsibilities with respect to the Ontario Housing Corporation. In addition, seven other ministries exercise responsibilities which have less major effects on housing. There is no Minister with direct responsibility for housing as such, or for policy, planning or implementation with regard to housing, and there is no agency to coordinate, integrate or monitor the many government activities affecting housing. The result is a fragmentation of Provincial and municipal activities affecting housing.

48

The Provincial Government exercises its authority to influence and regulate development in the Province; through its control over all local government institutions it exercises responsibility and authority for all matters relating to land use and development, including the assembly and servicing of land, environmental controls, local and regional government, and municipal financial policies. The Province exercises its authority in ways which are often inconsistent with each other, and without explicit concern for making land available for residential use or for influencing the price of residential land.

49

It is concluded that the organization of the Provincial Government should be directed to the recognition that the Government's housing responsibilities can be discharged satisfactorily only if they are directly acknowledged in the organization of the Government, through the establishment of a Ministry with suitable responsibilities and an adequate level of authority.

## **Planning**

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The Province's responsibilities for determining and applying land use policies and programs for planning and development, and for establishing

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regional governments, do not include the identification and resolution of housing needs in the local or regional municipalities. Although it is Provincial policy that housing be provided only in accordance with approved plans, municipalities are not required or encouraged to formulate housing goals or objectives as part of their Official Plans. Provincial approvals or modifications of municipal Official Plans and zoning bylaws are made without direct reference to their effects on housing in the affected municipality.

51

Municipal development regulations are almost always administered in the absence of a municipal housing policy. The housing goals of most municipalities are not explicitly formulated, but are simply implicit in the numerical distribution of population and residential density. These are intended to control the development of land rather than ensure adequate accommodation.

52

Regional development planning is a Provincial responsibility, but proceeds with little reference to housing. The formulation of Provincial regional plans is carried out in the absence of either an overall Provincial development plan or of explicit or implicit Provincial housing policies and goals.

53

In the Central Ontario Region (Toronto-Centred Region), where the Provincial regional planning process has reached the stage of formulating development proposals, the result has been, for all practical purposes, to freeze housing development in critical areas, most notably in the Metropolitan Toronto housing market area. The process has imposed very extended delays on the approval of both municipal and private development plans and discouraged municipalities and developers from proceeding with development plans while regional planning questions remain unsettled. The plan's proposals and guidelines have operated to stall housing development in many serviced residential areas, while failing to provide programs for implementing housing development in other areas.

54

The establishment of regional governments and the determination of their boundaries is inhibiting housing production in some instances, by imposing a second level of planning control and by uncertainties while regional Official Plans are under preparation. Regional government boundaries are not set with regard to housing market areas and may impair the orderly servicing of residential land; this has been the case in Metropolitan Toronto where thousands of houses have not been constructed because of the location of the municipal boundary.

55

The Province has indicated that it intends to delegate responsibility and authority for regulating community development to municipalities, particularly at the regional municipality level. The formulation and application of Provincial regional plans has proceeded with little regard to this intention, at least in the Central Ontario Region. When delegation does take place it is inconsistent and vaguely defined; the determination of policy and the administration of regulations in furtherance of policies often fall between

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the two levels of government, resulting either in conflict or in lack of decision.

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The Task Force concludes that in planning and development, at the local, regional and Provincial levels, housing has not received conscious consideration. The provision and cost of housing are not a matter of direct concern, despite the substantial and growing evidence of the need for such concern. The Task Force shares the Ontario Economic Council's recent conclusion that this situation requires urgent attention, and feels that it should be given forceful attention.

## RECOMMENDATIONS

- a) *The Province should give prompt consideration to the following recommendations recently put forward by the Ontario Economic Council:*
  - *Preparation of a Provincial structure plan establishing an overall strategy for Provincial development, and including, for each of the five Provincial regions: social and economic goals; basic policies relating to the conservation of the physical and social environment and the welfare of the inhabitants; specific Provincial programs for achieving Provincial goals and policies in each region.*
  - *Establishment of comprehensive Provincial objectives and policies respecting social development and environmental quality.*
  - *Decentralization of Provincial administrative and operating machinery affecting regional development.*
- b) *Provincial development goals for the five Provincial planning regions should be established expeditiously, and authority for regulating development in accordance with these goals should be delegated to the municipalities. The inclusion of housing policies should be mandatory in regional and local Official Plans.*
- c) *In establishing the boundaries of future regional municipalities, suitable consideration should be given to their likely impact on the provision of housing, and suitable procedures should be set to ensure continued housing development while regional Official Plans are under preparation.*

## Development Standards

57

Municipalities have generally established minimum development standards — relating to such factors as lot and house size, lot setbacks, garages, etc. — which go far beyond what is required to meet health, safety and convenience needs. These unnecessarily high standards derive from a widespread desire to ensure the “quality” of development and to secure a suitable tax return. The imposition of such standards affects the cost of providing housing, and serves to exclude from many communities families of low and moderate income.

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Many municipalities also impose occupancy standards relating to the social composition of households — restricting the residence of unrelated roomers, for example — which have the effect of constraining the available supply of housing for certain groups.

59

The application of unnecessarily high minimum development standards and exclusionary occupancy standards does not conform to the public interest of ensuring adequate and accessible housing for all segments of the community, and should not be permitted as a matter of Provincial policy. Insofar as these standards derive from municipal financial considerations, Provincial review should take this factor into account.

## RECOMMENDATIONS

- a) *The Province should establish suitable minimum development and occupancy standards, taking into account regional variations in physical and economic characteristics, and should not allow municipalities to impose higher requirements except for demonstrated acceptable cause.*
- b) *Suitable procedures should be established for periodic review of minimum standards, taking into account their relation to the municipal tax base.*

## Development Regulations

60

An examination of the relevant laws and regulations affecting housing indicates that these are not directed specifically toward promoting the production of housing, but are concerned generally with ensuring the quality of housing.

61

The administration and application of regulations present a substantial constraint on the supply of housing and contribute significantly toward higher costs. Administration is carried out in the absence of a guiding housing policy. There are no clearly stated procedures for evaluating the effects of various regulations. There are no clearly stated procedures for resolving conflicts in the application of regulations. There is no clearly stated allocation of responsibilities between Provincial and municipal authorities and between different Provincial ministries, concerning the application of regulations affecting housing. There are no requirements to ensure that regulations are applied speedily, or that the basis for making decisions is clearly and publicly understood. Specific departmental actions are often guided by administrative convenience. The lack of adequately trained and experienced staff, on both the municipal and Provincial levels, frequently adds to the time required to process housing proposals.

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The result is a maze of regulations and administrative procedures which are protective and negative with regard to housing rather than positive and productive; in which the concern is for controlling housing rather than with its supply or cost; where the conventional answer to bureaucratic disagree-

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ments has been to raise standards even higher, to increase the regulations and administrative control, to delay even longer final approval, and to avoid the central issue of housing needs.

## RECOMMENDATIONS

- a) *The regulatory process should be clarified so as to secure a clear determination of responsibility for development approvals, distinguishing between Provincial, regional and local responsibilities and identifying clearly the final responsibility for approval.*
- b) *The administration of regulations should be simplified and speeded up. Policies, regulations and procedures to be followed should be written and published. Firm deadlines should be set for processing development applications; the basis for departmental or municipal recommendations should be clearly specified, and should be subject to public review and appeal.*

## Supporting Services and Facilities

63

The most immediate and pressing constraint on the supply of housing land is the critical shortage of serviced land. The problems relate to inadequate servicing, payment for services and high servicing standards.

### Shortage of Serviced Land

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Comprehensive Province-wide information is not available on primary service capacity for water supply, sewer trunks and sewage treatment. In many places, the services are not available; in some they are available only in part, and where they exist they are often of inadequate quality.

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In the critical Toronto-Hamilton-Oshawa area, the total water and sewage treatment capacity appears to exceed immediate demand, but is not necessarily located to meet the requirements of existing development patterns or those which the Province has set for the region. In some places, where adequate treatment capacity is available, trunk facilities are inadequate or absent.

66

Secondary services, a municipal responsibility, are supposed to be provided in coordination with primary services. This is not always the case, and secondary servicing is often delayed. Once the primary services are in, however, it is relatively easy to install the secondary services and prepare land for residential use, if the other processes are completed.

67

The Provincial funds available for services are allocated to municipalities on a first-come, first-served basis without regard to general or local housing need and supply, and without regard to different servicing costs between municipalities.

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68

Provincial funds for servicing or supporting community facilities are sometimes altered without reference to the likely impact on the supply of housing. This has occurred most recently with respect to educational financing. Previously, schools were generally provided as needed. The recent budget restraints on school building were imposed without apparent consideration of their effect on housing. Because new schools are now not necessarily being approved in conjunction with new development, some children are being bussed to schools outside their immediate neighbourhood and municipalities are therefore reluctant to release land for housing. This is resulting in a slowdown in housing production in many places.

69

To overcome the critical shortage of serviced land, the Province should:

- a) Begin an immediate program to accelerate the construction of primary services in those areas where they are most needed at this time.
- b) As a matter of policy, ensure that primary services are provided well ahead of demand in order to stabilize the land market and to ensure an adequate flow of serviced land onto the market as required.
- c) Link the primary service program to the Province's regional development and housing plans. The lands to be served first and the amount of land brought into development would thus conform to Provincial development policy and facilitate adequate levels of development in strategic areas.
- d) Within the particular areas, service an amount of land sufficient in size and distribution to ensure choice for individual developments.

## RECOMMENDATIONS

*Recommendations concerning the provision of services are made in Section 4, Paragraphs 290-296.*

### Financing of Services

70

Major delays in the construction of secondary services often occur because the municipalities have an insufficient tax base to sustain the additional financial burdens. The problem is particularly acute in the smaller and rapidly growing communities.

71

The existing Provincial grant system and the levels of grants are insufficient to carry communities through the period of development and construction before the new residents begin to pay for services.

72

The level of Provincial aid is insufficient in many cases in assisting the municipalities to cover the continuing costs of services — education, sanitation and community services — for residential developments.

73

The establishment of county and regional bodies to distribute the tax burdens across a wider area and to rationalize operations and costs has

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helped to lighten the load on the more heavily burdened municipalities. This has particularly been the case with education and other regional services, such as police and transportation.

74

Municipalities generally have two options for financing the servicing of residential development, and they have used a combination of both methods, in varying proportions:

- a) By paying the costs out of their own budgets, in which case the costs are borne by all the taxpayers.
- b) By making the developers pay for all or part of the services, in which case the costs are borne by the new residents.

There is no consistency of policy from municipality to municipality on whether or not the developer pays, how much he pays, what he pays for, whether he pays directly or through a levy, and why a particular sum is chosen.

75

If the construction of secondary services is to keep pace with need, the Province will have to provide grants or loans to the municipalities for these services. The costs of these services should not be borne by the new residents through developer levies or direct payments. The abolition of these charges would help reduce the sale or rental cost of new accommodation. In order to facilitate the implementation of regional development policies, grants or loans for secondary services should be made only to those communities which are committed to accepting new development in accordance with joint Provincial/municipal housing plans.

76

A number of communities lack funds for suitably trained staff to process development applications and carry out other regulatory procedures. Assistance should be given to these communities.

*RECOMMENDATIONS concerning the financing of services are made in Section 4, Paragraphs 290-296.*

## **Servicing Standards**

77

High Provincial and municipal servicing standards contribute both to high housing costs and to delays in the construction of services. The Province has not examined the effects of service standards on housing supply and cost. It has therefore been unable to give the municipalities guidance, or to set the Provincial policies in this matter.

78

Rising standards in municipal services are not necessarily a response to absolute service needs, and frequently go beyond reasonable health and safety standards. Among the reasons for rising standards are the expectations of local residents, and the desire of politicians and municipal staff to avoid public complaints and make future municipal administration easier.

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79

Service standards vary from municipality to municipality, often for no discernible reason. For example, adjacent municipalities in the same watershed employ different rainfall calculations, thus requiring the installation of different-size storm sewers. This can have a significant effect on housing costs.

80

Most municipalities require that the stipulated level of services be installed at the outset. Although this forestalls later political difficulties, it precludes progressive financing of secondary service costs through local improvement levies.

81

As well as local standards, the standards used by Provincial ministries are also set and applied without reference to their effect on housing. This applies to such matters as the allocation of rights-of-way for Provincial road projects, road service standards used for Provincial grants to municipalities, air management standards applied to municipal sewage works, etc. In such cases the Provincial standards operate either to remove available land from housing production or to seriously restrict the municipal ability to service housing land.

82

Provincial standards are too stringent and rigidly applied, without room for interim or temporary solutions. For example, the Province has for years refused to allow enlargement of existing plants and temporary installations in the upstream areas north of Metropolitan Toronto prior to a final decision on a sewage treatment program for the area, with the result that large tracts of housing land have remained undeveloped pending the resolution of financial and other matters.

83

A number of communities, particularly in the north, face heavy additional servicing costs because of local conditions. In some cases the application of uniform Province-wide standards makes it virtually impossible to provide housing land. These circumstances should be taken into account in Provincial programs for supporting primary and secondary services.

84

The Task Force has concluded that, with respect to all services, each of the responsible bodies, Provincial and municipal, is acting essentially in terms of its own specific objectives, such as environmental conservation, operating specifications, or budgetary constraints. These programs profoundly affect the supply and cost of housing but are not specifically related to it. The new and more stringent environmental controls satisfy conservation objectives but they impede housing development. Housing considerations do not come into play in any effective way in the planning and provision of services.

## RECOMMENDATIONS

- a) *The Province should review servicing standards and establish suitable minimum standards for each service, whether supplied by the Province or by the municipalities.*

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- b) *The Province should examine the effects of its environmental control standards on housing, and establish suitable minimums which allow for interim solutions and for adaptations geared to regional and local circumstances, in order to overcome impediments to housing development.*
  - c) *Financial assistance by the Province to the municipalities for services should be related to minimum standards; servicing costs above minimum standards should be paid for solely by municipalities, and should not be passed on to the developer and home purchaser in the form of a levy.*
  - d) *The application of Provincial budgetary constraints on specific programs for services or supporting residential facilities should give consideration to their impact on the provision of housing in different localities, and should allow for modification relating to local housing circumstances.*

## Provincial Activities in Land Supply

85

The land market has responded “rationally” to the shortage of serviced land in face of the high housing demand: prices have increased to the point where there is no longer any relationship between the actual cost of the land to the vendor and the price being asked and paid.

86

The shortage of serviced land has undoubtedly led to land speculation, though detailed information is not available in this respect. Some price manipulation and hoarding of land may also be taking place, though to a lesser extent. Briefs submitted by public officials and by some industry groups claim that such practices are occurring in some areas. Among other things, because of the uncertainty about future land supply, some builders are finding it necessary to ration their building activities to maintain a steady flow of production. While the exact extent of speculation cannot be established, the land situation has reached the point where in several cases the price of house lots has increased to almost half the total house price within a short period of time.

87

The Provincial role in land development has heretofore consisted mainly of ensuring the provision of services and regulating the use of land in order to achieve public purposes which would not otherwise be attainable through the operations of the private sector. In normal conditions the private sector has shown itself to be efficient and flexible in the production and distribution of land for housing at a reasonable cost, given adequate public support. Recent experience has shown that a higher level of public involvement may be required for the industry to regain its ability to work at optimum efficiency. This could involve more effective public activity in the provision of services and the regulation of development, and actual participation in the land market itself.

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## RECOMMENDATIONS

*Provincial land supply programs should meet the following purposes:*

- a) *To assure sufficient serviced land, at reasonable prices, to meet housing needs.*
- b) *To make provision for more than the minimum land needed to avoid tight land markets.*
- c) *To assure availability of serviced land in support of policies for regional development in the Province.*
- d) *To provide for the suitable distribution of serviced land within each urban area.*

88

The Task Force has reviewed a number of different measures to achieve these purposes. Some were found to be unsuitable under present circumstances.

89

**Land Taxation** involves a number of approaches intended to encourage landowners to bring their properties onto the market, and to reduce unwarranted development profits. **Site Value Taxation** is one such measure in which land is taxed as though it were developed to its full potential. In order to avoid placing unduly heavy tax burdens on farm lands in urban areas, **Dual Taxation Rolls** can be used, one for land in agricultural use, and the other for land in or intended for urban use. **Land Hoarding Charges** can be levied against owners who fail to complete development on their land within a given period from the time that approval to proceed is granted. The **Betterment Levy** taxes owners on the additional unearned value to their land created by public action such as planning decisions or the installation of services.

90

These measures have not generally been used before in conditions similar to those in Ontario. Where they have been used, they have created considerable problems in regulation and administration which could lead to even more and costly procedural delays than now occur. They also produce numerous side effects which would have to be examined in detail before any positive recommendation on their use could be made. The general question of land taxation belongs properly in the wider context of tax reform and should be studied in the context of a long-term program. The taxation of speculative profits in land, however, is a matter which should be given early study.

91

**Land Price Control** possesses the same serious disadvantages as rent control (Paragraph 181). Under extreme conditions there may be a case for it if it is organized and administered as part of a wider system of temporary price controls, and if it is linked to measures to increase the supply of serviced land at specific locations. It should be discontinued as soon as the supply has been increased to a level more in line with demand. Price controls on land would probably have to be extended to include the house price, so that the owner does not increase the price of the building to compensate

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for profits lost by the freeze on the land price. *Voluntary* price control should be given serious consideration in conjunction with specific government actions which may be taken to bring specific building sites onto the market.

92

**Land Trading** is a method by which the government gains some control over land without interfering substantially in the private market. It acquires by expropriation land which is not being used for development and trades that land to a developer who will develop it. The basic premise for land trading is that landowners are hoarding land rather than allowing it to be developed as planning approval is received. Land trading might be useful in a system of strict land use control, with an experienced public land owning agency, and as part of a comprehensive public land assembly and regional land use control program.

93

**Financial Assistance** to developers through government loans or special lending rates can help offset the risks entailed in the assembly and processing of land. The approach is inferior to other programs which are more directly concerned with increasing the supply of developable land — for example, the provision of primary and secondary services — thereby increasing the individual developer's incentive to get his land onto the market at a competitive price. If financial assistance is warranted, it is for those "special developers", such as non-profit and cooperative organizations, which cannot at present readily compete in the private market for land.

94

All of these measures are generally deficient in a number of critical respects:

- a) They constitute a kind and level of Provincial involvement in the private sector which is restrictive to competitive enterprise, and unwarranted at least until other policies and programs have been fully explored.
- b) They may seriously distort the operations of the housing market with long-term disadvantages.
- c) The difficulties of proper and equitable regulation and administration are such that the processes of supply can become even more cumbersome and costly than they are now.
- d) They do not deal directly with the central issue, which is the supply of land for development.

95

**Public Acquisition** of land constitutes another approach to improving the supply of housing land. The wide range of programs and uses available through public land acquisition makes it a highly flexible instrument for meeting a broad spectrum of requirements.

96

It is claimed that Provincial assembly has had little effect so far on the land market and failed to ensure an adequate supply of building land, at least in the Metropolitan Toronto area, and that better results would have been obtained if public land funds had been used to construct primary services. However, previous limited land assembly activities are not an adequate

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basis on which to judge their effectiveness as a technique for either influencing land prices or meeting housing needs.

97

The available evidence in Ontario and elsewhere suggests that properly planned public land acquisition can have some effect in certain circumstances in moderating pressures on land and house prices. The most telling argument in favour of public land assembly is the opportunity it provides for encouraging comprehensively planned development.

98

Any decision as to the future scope of Provincial involvement in land ownership should be related both to immediate purposes and to long-term land policy. To encourage or influence residential development, or to maintain some control over land prices by competing with private interests, may not require extensive land holdings. The achievement of comprehensive regional planning and development may require more extensive holdings. There is no set formula about the size and distribution of the amount of public land required for each purpose.

99

The extent to which the Province can become involved in public land acquisition may be influenced by the limited Federal funds available for land acquisition, unless substantial Provincial funds for land acquisition are made available.

100

The specific Provincial activities which are taken as part of a long-term public land program should be guided by the different purposes for which public land acquisition is useful.

101

**Land for public housing:** Land for this program is required to the extent that public housing will continue to be used, and no fundamental changes are required in land purchase and land management arrangements.

102

**Land for non-profit and cooperative developers:** Direct public involvement in making land available to these organizations would constitute a new program. The organizations face difficulties in purchasing land on the open market; at present they cannot purchase land from OHC. The Provincial land program should therefore include provision for resale of public land to non-profit and cooperative housing agencies.

103

**Land for leased lots:** The leased lot program meets a large and growing demand and has proved popular. The extent of the demand is not known but it is likely assured as long as land can be made available at favourable rates and secured on leases. The leased lot program should be expanded to serve the moderate- and middle-income market which cannot afford existing new or resale home prices.

104

The method of disposing of leased lots involves various considerations, and there are valid arguments favouring both the sale of the Government-owned lots and their retention in permanent leasehold. The ultimate sale of leased lots gives purchasers the presumptive benefits of full equity participation,

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and returns capital for reinvestment in additional land programs, while retention of the lots in public ownership facilitates optimum re-use of the land. The Task Force feels that no *a priori* position should be taken; as a general rule, it suggests that leased residential lands may revert to private ownership, except where specific circumstances, which may be numerous, support maintaining them in public ownership. Adequate safeguards should be set to forestall windfall profits where leased lots are sold to private owners.

105

**Land for new community development and land for new development to implement regional planning policies:** These two purposes are largely complementary. Private enterprise is not always able to risk opening up communities at new, undeveloped locations. Public initiative in support of Provincial policies for regional growth can appropriately lead such development ventures. The strategic selection of sites for public purchase should be carried out well ahead of development. As a general rule there is no need for complete public ownership of the lands involved in new communities and they should be treated instead as joint public-private ventures. The limited Government funds available should be distributed strategically, rather than concentrated in a few locations. Thus, instead of retaining ownership of the entire North Pickering town site, it may be more appropriate to use part of the Provincial funds to acquire a strategic involvement in some of the large new community developments already underway west of Metropolitan Toronto. Similar considerations may obtain for other Provincial new community activities in Ottawa and Haldimand-Norfolk.

106

**Land for strategic intervention in the land market:** Such holdings are intended as reserve lands in the major urban growth areas, and they would also be available for any of the other stated purposes. For smaller and even medium-size communities, strategic Government intervention in the land market may be effective with relatively small holdings. For the main urban housing markets, carefully selected widespread Government activities may be necessary. Strategic intervention in the market — to support supply in specific shortage locations or to provide price competition in other critical locations — is carried out essentially as a short-term program, but land acquisition for this purpose should be part of a long-term program. The use of Government land in market intervention should be carried out in conjunction with other Government programs, particularly the direct provision of services or financial assistance for municipal services.

107

**Land for municipal land banking:** Several municipalities, including particularly some central cities and some northern communities, require land for specific purposes related to their own development programs. Toronto, for example, intends an ongoing program of converting obsolete industrial lands for housing and community development purposes, and Sault Ste. Marie finds it necessary to engage in the direct provision of housing land. Provincial assistance for municipal land programs is legitimate and desirable and, to the extent that specific Provincial authorization is required for municipal land activity, it should be given as a matter of course. It is

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desirable that the acquisition of land for municipal purposes be tied into a comprehensive Provincial urban land program, and the lands disposed of according to mutually acceptable criteria.

108

The operation of expropriation procedures and their impact on municipal land programs should be examined. Current practices, which in some cases stipulate that the cost of land acquired for redevelopment be based on “highest and best use”, can have a serious effect on some municipal programs. If there are to be extensive municipal land programs a wider review of expropriation procedures will be required.

## RECOMMENDATIONS

- a) *The Province should undertake a comprehensive land program involving the acquisition of land where applicable for the following purposes:*
  - *Land for public housing.*
  - *Land for non-profit and cooperative developers.*
  - *Land for leased lots.*
  - *Land for new community development, and to implement regional planning policies.*
  - *Land for strategic intervention in the land market.*
  - *Land for municipal land banking.*
- b) No *a priori* policy should be established on whether public land holdings are retained permanently in public ownership under leasehold arrangements or are ultimately sold to the users. These decisions should be guided by specific circumstances; among other things, municipalities engaged in land banking should be empowered to make their own decisions in this respect.
- c) Any specific Provincial authorization which may be required in order to permit municipalities to engage in land banking programs should be provided as a matter of course.
- d) Current expropriation practices should be reviewed with respect to their effect on municipal land programs.

## Municipal Finance

109

The Province’s provision of general municipal grants and its supervision and influence over municipal financial activities is carried out without explicit regard to the effects of these activities upon housing. The Ontario Municipal Board’s responsibility in this regard is to determine if the municipality in question has the financial ability to meet its proposed capital program. The specific implications of the program for housing are not considered.

110

Provincial loans and grants for individual municipal programs — roads, sewers and sewage treatment, water supply, education — take into account

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only the specified program and the municipality's ability to meet its share of the cost. Little consideration is given to the impact of the program on other aspects of development in general or on housing in particular.

111

The municipalities' heavy dependence on real property assessment for the bulk of their revenue has two effects:

- a) It discourages housing development except in proportion to the increase in industrial and commercial assessment.
- b) It encourages emphasis on middle-income housing; in effect, it encourages quality rather than quantity.

112

The financial requirements the municipalities must meet, particularly the limits on debt financing and the forms of Provincial assistance to municipalities, often create inconsistencies between municipal plans and the regional growth activities of the Province, and lead to Provincial-municipal dissension.

113

Provincial policy to alleviate the regressive aspects of the property tax has led to the property tax credit program which has been helpful in alleviating the burden of the shelter costs of low-income families and senior citizens. The establishment of uniform tax rates over wider jurisdictions, such as regions or even the Province as a whole, would also reduce the regressive nature of the property tax, but would have to be accompanied by an extensive system of equalization payments to permit all municipalities to maintain an adequate level of services. All of these methods would have to be considered in the wider context of overall municipal tax reform.

114

At present, municipalities which restrict their expenditures are eligible for Provincial incentive payments. Beyond this, municipalities have three main options open to them to increase revenues — reducing the level of services; raising taxes; and borrowing additional funds. Each of these presents political difficulties, and the last serves only to increase the municipality's long-term problem because the funds have to be repaid out of local property tax revenues. All three methods are based on the inequitable assumption that local residents in municipalities designated for or sustaining high growth should bear a disproportionate share of the financial burden of accommodating population increases generated by Province-wide economic conditions and from which all Ontario citizens benefit.

115

An equitable approach is a Provincial system of municipal financing which ensures that residents of municipalities undergoing economic expansion do not bear a disproportionate share of the costs which that expansion generates. Such a system would provide incentives in the form of Provincial grants for communities willing to support new housing development in accordance with established programs, and financial sanctions for those unwilling to do so. It should therefore help to break down the disincentives to local housing development.

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116

This is part of the larger issue of Provincial-municipal fiscal relations and lies beyond the Task Force's purview. The pressures of the housing situation are such, however, that it is not possible to wait for a solution. For the foreseeable future, therefore, the Province should operate on the principle that municipalities should receive the necessary financial assistance in those areas where growth is to occur.

*RECOMMENDATIONS concerning municipal finance are made in Section 4, Paragraphs 314-321.*

## Rental Housing Supply

117

A substantial proportion of the Provincial population — more than one-third of Ontario families — are living in rented housing. A sizeable number of families either prefer or are forced by circumstances to rent rather than own their homes, and it is likely that this number is increasing. The current shortage of sale houses in many Ontario communities, particularly the largest urban areas, has probably increased the demand for rental accommodation.

118

Most of the Province's rental housing is in the form of apartments, and a steadily increasing proportion of these have been provided in high-rise buildings. Land assembly for apartments has virtually stopped in many cities, mainly because of strong local opposition and reduced profitability of apartment development, and many sites previously assembled for apartments are now being planned for lower-density residential uses. Some sites zoned for high densities are being "down-zoned" at the request of developers without regard to the consequences on the local housing supply. By 1974, most of the apartments currently under construction will be completed and occupied. There are indications that at that time the supply of new apartments will have dried up, by and large, in some urban areas, except for specific suburban sites which are planned as part of comprehensive development schemes and special kinds of sites such as Metro Centre, in Toronto.

119

Local opposition to apartments relates to the density of development and is generally based on several grounds: that they impair neighbourhood stability and have an adverse effect on neighbourhood amenities; that they are esthetically unpleasant; that they substitute non-family households for families in the inner urban areas; that they are unsuitable for families with children; that they result in increased service costs to the municipality. Some of these objections are justified with reference to individual cases, but they do not, in total, provide a suitable basis for the establishment of public policy with respect to rental accommodation.

120

Some of the claimed deficiencies of apartments can be corrected. If families with children find it necessary to live in apartments because of a shortage

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of accessible alternative accommodation, building standards and zoning by-laws should be revised to ensure that apartments are designed with the needs of children in mind. If apartments are esthetically unpleasant, zoning regulations and site plan control procedures should be altered to secure a more acceptable result. If they generate an undue burden on municipal services and community facilities, comprehensive planning programs should be adapted to account for this. General objections to high-density as such can be alleviated by facilitating medium-density development.

121

Whatever the faults of apartments, multiple housing accommodation will continue to provide an important component of the total housing stock of most large urban areas and of some of the smaller ones as well. It is not economically feasible to provide low-density dwellings for all or even most of the urban population, and the kind of land utilization pattern which this would entail is not desirable. What is required is the establishment of development standards and development control procedures which will promote, rather than inhibit, alternative forms of high- and medium-density buildings which are suitable for family occupancy and are less disruptive of the urban landscape. It is also necessary to encourage and assist the development industry to respond to the need for alternative types of multiple housing.

122

Condominium apartments comprise a particular form of multiple housing which provides families with opportunities for home ownership. They therefore represent a suitable means for promoting public policies designed to revitalize the apartment sector.

## RECOMMENDATIONS

*A conscious program should be undertaken to revitalize the rental sector and ensure the continued provision of an adequate supply of rental housing. It should involve some or all of the following measures, depending on local circumstances:*

- a) Establishing Provincial policies concerning apartment development, including performance or other criteria to be used as a guide for municipalities and the Ontario Municipal Board in dealing with multiple housing proposals.*
- b) Promoting the development of municipal zoning regulations which would facilitate the construction of alternative forms of medium-density residential buildings.*
- c) Ensuring that municipal decisions to down-zone existing high-density residential sites are made in relation to overall housing needs and established housing targets.*
- d) Promoting the development of suitable regulations to ensure that new medium- and high-density housing makes adequate provision for the needs of families with children.*
- e) Encouraging municipalities and developers to locate suitable sites for high-density residential development in areas presently zoned for non-*

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*residential use, and, where necessary, making grants available for increased local service costs.*

- f) *Supporting the continued development of condominium apartments through Provincial mortgage assistance programs.*

## Rehabilitation

123

Housing efforts in Canada have concentrated almost exclusively on new construction rather than on the preservation and renovation of the existing housing stock. The central cities of large metropolitan areas, as well as some older rural settlements, possess neighbourhoods of poorly maintained, deteriorating housing, which provide low-cost accommodation for low-income groups. Rehabilitation of this housing could result in improved housing conditions for lower-income families.

124

Rehabilitation has been impeded by several factors. Municipal by-laws generally require that rehabilitation should bring older dwellings up to the modern "minimum" standards applied to new residential construction. The costs of meeting these standards make rehabilitation too expensive for low-income home owners. In addition, funds to rehabilitate older properties are difficult to secure. They can be obtained by securing a first mortgage on the property through CMHC, but many low-income home owners, particularly elderly persons, are unable or unwilling to incur debts and commitments for regular payment. Finally the feasibility of converting large underused houses through rehabilitation to accommodate a larger number of households is frequently impaired by the operation of municipal bylaws.

125

Most of the rehabilitation of older housing which has taken place has been carried out by middle- and upper-income residents who have bought homes in older neighbourhoods and converted them to their own use. This practice ("white-painting") has had the effect of depleting the stock of low-income housing.

126

The current NHA amendments relating to residential rehabilitation can provide a useful means of supporting this activity. However, by tying in these activities to parallel neighbourhood improvement programs, the funds will be made available mainly to large towns and cities and may thus not reflect the full extent of Ontario's rehabilitation needs. They will also exclude houses in need of rehabilitation which lie outside designated improvement areas. Finally, in many areas of the Province, the maximum Federal loan of \$5,000 may not be enough to meet the requirement of 15-year life expectancy for rehabilitated properties.

127

Effective rehabilitation programs may in some cases require the upgrading of municipal services, for which the Federal grant has been reduced under the new amendments. These should be supplemented by Provincial grants in order to support municipal rehabilitation programs.

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Some municipalities find it necessary to continue or initiate related redevelopment programs requiring clearance of some areas as well as rehabilitation. Provincial support for such programs should continue.

Municipal rehabilitation programs are sometimes impeded by present legislative provisions which require separate Ontario Municipal Board approvals of the designation of redevelopment areas, rezoning, and financing of programs. These should be simplified in order to speed up the operation of rehabilitation programs.

## RECOMMENDATIONS

- a) *The Province should supplement the Federal rehabilitation program by provision of additional funds, and by extending rehabilitation assistance to communities and neighbourhoods which are outside the designated improvement areas contemplated in the Federal program. This should involve grants for low-income families, as in the Federal program.*
- b) *Publicly funded rehabilitation programs should be based on varying sets of standards which conform to local neighbourhood or community criteria, rather than employing uniform national or Provincial standards.*
- c) *Municipal occupancy standards and zoning specifications should be revised to facilitate the conversion of large underused houses for multiple family occupancy, based on suitable development standards.*
- d) *Provincial funds should be provided for community facilities and services needed to support increased housing arising through rehabilitation and community improvement programs. In particular, there should be a Provincial 25 percent grant to match the Federal grant for upgrading services.*
- e) *Provincial support should be provided for municipal redevelopment programs requiring clearance as well as rehabilitation in specific areas.*
- f) *The legislative requirements for approval of municipal redevelopment and rehabilitation programs should be simplified, and the number of specific Ontario Municipal Board approvals reduced.*

## Non-Urban Housing

While Ontario's urban population has been increasing steadily, about one-third of the Province's households are still located in small towns and rural areas. Housing in these areas, when compared with the urban picture, is on a smaller scale, at a lower density, and is often widely scattered. Nevertheless, housing in non-urban areas can be as much or more of a problem than it is in cities. In some rural areas and small communities, development of the whole range of housing, from family homes to accommodation for

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elderly persons, the poor, and the permanent and transient single population, has come to a halt. In farm homes, many of the rural housing problems often appear together — the occupants are poor, the houses are run-down and lack modern conveniences, and there is little money to maintain the houses property.

131

The housing problems are particularly acute in the small, single-industry communities of northern Ontario. Housing is often scarce and expensive in these communities. Rents are comparable to those in Toronto. High rents, together with a shortage of housing, lead to doubling up. The creation of industry in an area where there is a lack of housing may also force the new population into nearby towns which they turn into bedroom communities, making heavy demands on education and other services without providing the tax revenue to pay for them.

132

Several factors account for the housing problems of small and remote communities. The most important of these is a shortage of serviced land and serviceable land. In some northern communities, one or two developers have a monopoly of all serviced land which does exist. Services are often difficult to finance, especially if municipalities are unorganized. In single-industry communities there is a general reluctance on the part of developers, employees, employers and government to invest heavily in services, because the life span of such communities is usually short.

133

The population of small towns and rural areas is usually relatively scattered, often making the provision of piped services difficult and economically unfeasible. In northern communities a rough and rocky terrain may add to these difficulties. At the same time, stringent Provincial servicing standards make little allowance for the use of septic tanks or other service alternatives on a short-term basis.

## RECOMMENDATIONS

*To overcome some of these difficulties the Province should:*

- a) *Review service requirements for rural areas to allow for non-urban standards.*
- b) *Allow, in suitable cases and locations, septic tanks and other short-term measures in order to increase the supply of rural housing.*
- c) *Provide mortgage assistance, with interest subsidies where necessary.*

## Voluntary Housing

134

Voluntary housing organizations are non-profit or cooperative organizations (such as service clubs or churches) which are neither public or private developers, but which use some of the private building techniques to satisfy social housing goals. They aim to produce housing at a lower cost than that produced by private interests. They do not seek financial gain

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for participating members, although their projects may provide their members with housing at lower than normal cost.

135

Non-profit housing clients are usually persons of low or moderate income whose needs are not being adequately met by the public or private sectors. The bulk of non-profit housing has been built for senior citizens, but some single person and family accommodation has also been produced. Housing produced by the voluntary sector usually takes the form of multiple units.

136

Most voluntary housing programs display the following elements:

- a) An emphasis on high quality of design and construction.
- b) A commitment to make housing available on a permanent basis to persons of low and moderate income.
- c) Resident participation in project planning and management.

137

The production of non-profit housing in Ontario has been declining because:

- a) Non-profit organizations are unable to provide senior citizen accommodation at as low a rental as OHC or, in Toronto, the Metropolitan Toronto Housing Company.
- b) Provincial grants available to voluntary builders have failed to keep pace with increases in building costs. As a result it has become progressively more difficult for the non-profit sector to produce housing at a cost which permits rental to persons with low incomes.

138

Non-profit and cooperative organizations demonstrate a strong commitment to the housing needs of low- and moderate-income groups. For that reason, their activities are compatible with Provincial housing objectives and deserve Government support.

## RECOMMENDATIONS

*The Government should assist the production of non-profit housing for low- and moderate-income persons by:*

- a) Leasing land to non-profit groups below cost in the initial years, with a provision to recapture the "loss" during later years of the lease.*
  - b) Extending 10 percent capital grants to housing for the elderly and to mixed income projects which operate with an internal surcharge and subsidy system.*
  - c) Extending assistance to the voluntary sector to train social and housing development staff.*
  - d) Providing financial assistance to underwrite the administrative costs of rehabilitation projects.*
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## Mobile Homes

139

Mobile homes now account for only a small fraction of the Ontario housing supply. Less than 1,700 Canadian-manufactured mobile homes were shipped to Ontario destinations in 1971, the equivalent of about 2 percent of total dwelling completions for the Province. Nevertheless, as a percentage of all single-family housing starts, mobile homes increased from 4 percent in 1963 to 16 percent in 1972.

140

The use of mobile homes in Ontario is severely restricted by municipal bylaws which discourage or forbid their use. A major reason for these restrictions is that mobile homes are not defined as real property and therefore do not provide municipal tax income. Many of these bylaws pre-date the development of the modern mobile home, and were intended to prohibit the use of trailers as permanent residences. Today's mobile homes are much larger than the original trailers and are intended for use only as permanent residences. They are designed to be placed on proper footings and connected to the usual residential services. The modern 12' x 60' mobile home cannot be hauled by car or truck.

141

Compared to small, conventionally built three-bedroom bungalows, mobile homes are slightly inferior in terms of acoustics, structure, fire safety and expandability, but the differences are not significant enough to cause serious problems. Their thermal performance is slightly higher. The most significant difference between the mobile home and the bungalow is that the average mobile home provides some 40 percent less space than the minimum OHC bungalow.

142

The cost of the mobile home is lower than that of the conventional bungalow, mainly because of its smaller size and lower construction standards. It has been estimated that the lower cost of the mobile home puts home ownership within reach of families earning between \$7,000 and \$10,000, while purchase of a bungalow at today's prices requires an income of \$13,000.

143

Because mobile homes provide the option of home ownership to moderate-income families, the Province should encourage their development as a useful contribution to the supply of housing.

### RECOMMENDATIONS

- a) *The Province should develop suitable standards for mobile home development on a permanent basis in urban municipalities. These standards should include location and performance specifications and suitable tax arrangements, and should distinguish between permanent and transient mobile homes.*
  - b) *Upon formulation of such standards, the Province should not allow municipalities to exclude mobile homes as a permitted use under zoning by laws.*
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## Assisted Housing Delivery: Ontario Housing Corporation

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The Ontario Housing Corporation has been responsible for the provision of housing assistance since 1964, with the exception of senior citizens housing in Metro Toronto and the payment of welfare housing allowances. OHC's responsibilities are essentially to satisfy housing needs in Ontario that are not met by the private market. Its potential clients include all low-income persons and moderate-income families who are not yet served by housing assistance programs.

145

The Corporation finds itself in a very special situation vis-a-vis the Federal Government, the Provincial Government, and the municipalities. OHC's funds and the purposes for which they can be used are largely determined by Federal housing policies, priorities and programs. The amount of funds and the mix of housing programs are not firmly fixed and therefore do not constitute a constraint on OHC's operations, but to a degree limit the flexibility of its operations.

146

The Provincial Government is in direct charge of OHC through the Minister of Revenue. Its programs are approved by the Government, as well as its funds, whether secured directly from the Government or through negotiations with CMHC. The Minister is responsible for the Corporation's operations but has no staff. OHC's staff is responsible to the Board of the Corporation.

147

Even though OHC was established originally and primarily to provide assisted housing for the needy as a matter of Provincial policy, the actual decisions on whether or not those needs are to be met, and the extent to which they are to be met, rest with the individual municipality concerned and not with OHC or the Province.

148

For moderate-income families, however, OHC's programs are carried out independently of municipal initiatives or express consent, and independently of municipal financing. They should be geared to Provincial policies and local needs, but OHC still faces a number of constraints; these relate to the cost and availability of land for leased lots and land assembly, the willingness of private developers to participate in the assisted condominium program, and the willingness of the municipalities to process the development plans and approve rezoning where necessary.

149

Up to the present, OHC's activities have not been constrained by either the Federal or Provincial governments. Instead the pace and nature of its activities were largely dictated by the random initiatives of individual municipalities. Instead of trying to pursue a Provincial housing program it has largely carried out a series of municipal housing projects.

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150

OHC's current stock of assisted housing, including dwellings in the development stage, totals about 105,000 units of which nearly 100,000 have been provided since OHC began operating in 1964. Three-quarters of the total, 77,000 dwellings, are low-income rental units and nearly 28,000 are ownership units for moderate-income families.

151

About two-fifths of OHC's units are in Metropolitan Toronto; together with the 7,000 senior citizen units built and owned by Metro, they account for 45 percent of the total assisted housing stock in the Province. These units house about 8 percent of the households in Metro. The ratios are similar in Hamilton (7 percent), Ottawa (8-1/2 percent), Sudbury (9 percent) and Windsor (7 percent), but in the other major centres the ratios are lower, declining to 4-1/2 percent of total households in Kitchener and Kingston and 3-1/2 percent in Sarnia and Thunder Bay. In the rest of the Province outside the three largest cities (Metro Toronto, Ottawa and Hamilton) only just over 3 percent of the households live in assisted housing units.

152

There are also geographic variations in the kind of assisted housing provided. In the main urban centres nearly 80 percent of the assisted housing units are low-income rental dwellings, while in the smallest communities, with populations under 5,000, 60 percent of the assisted housing consists of moderate-income ownership dwellings.

153

The ratio between low-income family and senior citizen units also varies. In the Province as a whole, 3/5 of the assisted rental units are family housing. The ratio is much higher in Kingston (75 percent), Sudbury (70 percent), and Metro Toronto (66 percent). In most of the other major centres, about half the OHC rental housing is family housing, while it is particularly low in London (41 percent) and Guelph (38 percent).

154

OHC's program distribution is changing drastically. Where the moderate-income units accounted for only one quarter of OHC's total stock up to now, they will account for nearly half of the new units in OHC's projected program for the next three years. This is probably due at least in part to the growing resistance to new public housing developments in many communities, but the full reasons for this significant shift in emphasis have not been discussed at any Provincial policy level.

155

OHC's land programs also show considerable geographic variation. OHC has land holdings, either raw or serviced land, in over half of the Province's larger communities (over 10,000 population), in less than a quarter of the communities between 5,000 and 10,000 persons, and in only one tenth of the communities with fewer than 5,000 persons.

156

It is clear that, since it started operating, OHC's activities have shown programmatic and geographic trends which do not relate either to established Provincial policies and priorities, or to comprehensively identified needs.

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This was perhaps to be expected, given OHC's situation. The variations in the type of programs used in different locations, the extent to which OHC has penetrated the different local markets, and the changes which have taken place over time, derive from the fact that while it is accountable to the Province, its responsibilities are confined and it has served principally in response to municipalities' wishes.

157

To the extent that OHC's policy can be defined, it is a policy which has *emerged*, rather than having been established or declared at any one time. The Corporation's operation has varied as local conditions have varied.

158

OHC's policy is constantly changing and adapting to new circumstances. The events and forces which shape policy include: the nature of Federal assistance programs; Provincial Government announcements and Minister's statements; Government departments' housing-related activities and procedures; local initiative in requesting assisted housing action; local acceptability of programs; tenant views and pressures; and citizens' reaction to completed projects.

159

There have been essentially three sources for program change and innovation, and each of them contributed to policy in some measure. The Government, through the Minister, makes suggestions, and the Government's budget allocation for the operation of OHC's programs directly influences policy. The OHC Directors make decisions on housing programs, organization, and operation of programs and projects. The senior staff of the Corporation initiates programs and procedures for operating programs which are approved by the Board.

160

Whatever can be discovered about OHC policies shows that they:

- a) Are influenced by a variety of factors beyond the control of OHC or the Minister responsible for OHC, instead of resulting from a coherently established process.
- b) Constitute only part of the total Government housing policy, are confined to the assisted housing market, and operate independently of other Government policies.
- c) Are continually changing, depending on circumstances which are not always, or not necessarily, concerned with housing.

161

The Corporation has had to perform a wide range of functions expected from an agency charged with the provision of housing for those not served by the private market — housing development, land development and management, and new community development. In addition, the Corporation has been responsible for many housing management and social development functions in its relations with its tenants.

162

OHC has had many responsibilities thrust upon it, perhaps too many for a new agency, and it chose to concentrate mainly on its central duty — the

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provision of housing for a certain section of the community. In the total process engaged in by OHC three major functions are identifiable, each of which requires different considerations and skills, and each of which involves dealing with a variety of outside agencies, groups and persons — the Provincial Government, municipal councils and municipal officials, school boards, ratepayers at large, immediate project neighbours, tenants, and the general public. The three functions are:

- a) **Planning for assisted housing:** this includes at the Provincial, regional and local levels the establishment of needs and targets, adoption of programs, selection of sites related to programs, identification of ancillary facilities, and securing of local approvals.
- b) **Development:** design of housing, selection of construction method, contracting.
- c) **Management:** maintaining lists of prospective tenants and owners, selection and placement of tenants, administration and maintenance of housing.

163

The main considerations for organizing and administering future housing programs relate to the allocation of these three responsibilities; whether they should remain with one Provincial agency or whether it is desirable and feasible to share and separate the responsibilities involved in the three stages of meeting assisted-housing needs.

164

OHC has begun both to decentralize its activities and to delegate some of its management functions to local or regional housing authorities serving a large market. It has urged the establishment of housing authorities in Metropolitan Toronto and the other large cities where it still manages its housing units directly, but it has not expressed the intention to delegate the responsibilities for planning and development.

165

Given the need for expanded Provincial housing responsibilities, the determination of policy and planning for assisted housing should rest with the Government directly, not a Crown Corporation. The main development function should be the core activity of OHC, and housing management should be a responsibility either of OHC or of regional and local housing authorities that are willing to and capable of exercising it. All three functions — planning, development and management — are capable, under suitable circumstances, of being delegated to the level of municipal government.

## Protection of Home Purchasers and Tenants

166

The existing shortage of housing puts home purchasers and tenants at a severe disadvantage vis-a-vis housing suppliers. Accordingly, the existing legal protection available to housing consumers should be reviewed with a view to strengthening their position in the housing market.

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## Home Purchaser Protection

167

In Canada, quality control over the building industry is almost non-existent, and in Ontario the dominant feature of laws relating to the purchase of a new home is *caveat emptor* (let the buyer see to it).

168

With regard to both new and resale homes, the most recent "Agreement of Purchase and Sale" of the Ontario Association of Real Estate Boards explicitly states that there is no representation warranty, collateral agreement or condition affecting the Agreement or the real property other than as expressed in writing in the Agreement.

169

Homeowners face two kinds of potential difficulties:

- a) Failure of a builder to complete the house, or to complete it as specified.
- b) Failure of a builder to provide sufficient quality in construction.

170

The current NHA amendments would provide direct CMHC funds for purchasers to secure completion of the building, should the builder fail to complete construction, but this applies only to completion, not to quality, and applies only to NHA-financed homes.

171

The Ontario Law Reform Commission has previously examined a number of possible forms of protection, including registration of builders, inspection during construction, insurance, quality control by mortgagors or guarantors, warranties implied by law, and obligations imposed by statute. It has recommended the imposition of obligations by statute.

172

The Task Force has concluded that the Commission's recommendation would be inadequate in dealing with the problem of home purchaser protection, and very expensive for the wronged purchaser.

173

After reviewing the possible forms of protection, the Task Force has concluded that licensing or registration might be counter-productive, but that efforts should be directed to securing adequate, enforceable warranties. CMHC and the Housing and Urban Development Association of Canada are currently drawing up a national warranty program, including insurance for a limited number of years. Provincial action should fit in with any national program which is established.

## RECOMMENDATIONS

- a) Builders should be required to issue a warranty that guarantees repairs of defective construction.
  - b) Courts should be empowered to adjudicate warranty disputes.
  - c) Government financial assistance should be provided for home owners who are unable to afford legal expenses.
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- d) *If a national CMHC-HUDAC program works out successfully, the Provincial program should be reviewed in this light.*

## Tenants Rights

174

Until 1968, Ontario laws governing the relationship between landlords and tenants provided exclusively for the protection of the property of the landlord, and made no provision for the protection or safety of the tenant. The Landlord and Tenant Act of 1968, amended in 1972, partially corrected this situation by specifically establishing the principle of legal protection for tenants, by placing strict limitations on the actions landlords can take against tenants, by specifying the responsibilities of both landlord and tenant toward the rental premise, and by enabling municipalities to establish Landlord and Tenant Advisory Bureaus for the purpose of giving advice, receiving complaints and mediating disputes.

175

The Act does not provide tenants with “security of tenure”. Under existing law in Ontario tenants have virtually no security of tenure. Most leases are not self-renewing, and no reason or “just cause” need be given for the non-renewal of a lease after a very short notice of termination is given.

176

The Act fails to provide sufficient protection to the tenant against summary eviction. Although a court may invalidate a notice to quit, there is nothing to prevent the landlord from serving such a notice again.

177

The 1972 amendment to the Act further weakened the position of the tenant against summary eviction, removing his right to secure relief from a landlord’s breach of covenant through summary application to a county court. The tenant’s only recourse now is through a normal lawsuit, a process which can take years and is sufficiently expensive to deter many tenants from seeking redress.

178

Many tenants remain unaware of the Act’s provisions. Although OHC includes the relevant parts of the Act in its leases, most private landlords do not. This is important because standard leases used by real estate rental companies contain clauses which are inconsistent with the Act, and in some cases the provisions of the lease are invalid under the Act. The tenant signing the lease has few options; he is not allowed to add to, delete from or alter it.

179

Neither the Act nor the rulings based upon it are clear on the matter of repairs to rental premises, and the Act does not impose on the landlord of high-rise apartment buildings any obligation to maintain in a good state of repair common facilities such as elevators, swimming pools, parking areas, and driveways.

180

The Task Force has concluded that despite the considerable advances in securing tenants rights through the 1968 legislation, tenants are still

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seriously disadvantaged in some important respects, and that suitable action should be taken to correct this situation.

## RECOMMENDATIONS

- a) *The Landlord and Tenant Act should be amended to establish Landlord and Tenants Courts or Tribunals in each community to hear disputes from notices to evict, failure by one party or the other to effect repairs within a reasonable time, and other management matters. In general, these tribunals should aim to provide tenants with greater security of tenure by requiring landlords to show "just cause" for eviction. These tribunals should also provide a vehicle for landlords to bring complaints against tenants. Such tribunals should be particularly accessible to tenants receiving welfare assistance and other tenants not possessing leases. Adequate explanatory material should be made available for such persons. The tribunals should be relatively informal (to avoid large legal expenses), should meet often to handle cases quickly, and should hold evening and Saturday sittings.*
- b) *A "package" of law and instructions should be legally required in every residential lease. This package should include the rights and responsibilities of the landlord and the tenant found in Part IV of the Act. All clauses inconsistent with these rights and responsibilities should be illegal and their inclusion subject to legal sanctions. The size, spacing and printing of "standard" lease forms should be regulated. Translations of landlord and tenant statutory material should be available in multilingual areas.*
- c) *The Act should be amended so that the definition of "rented premises" includes all fixtures and appliances, and all elevators. Where landlords fail to maintain elevators regularly the Government should be empowered to do so and bill the landlord.*
- d) *The Act should be amended to require landlords to include in the lease all common areas and recreational facilities offered and advertised as benefits for the tenant, and to repair and maintain them.*
- e) *Tenants should be guaranteed freedom of association, short of collective bargaining.*

## Rent Control

181

Present and anticipated increases in rental costs have generated public support for some form of rent control. Rent controls have been implemented in Ontario (during war-time) and in other jurisdictions in response to extreme shortages of rental accommodation, to protect tenant interests, or to correct unusual situations in the rental market. They can yield the following disadvantages, however:

- a) A decline in production of new rental accommodation.
  - b) Landlord neglect of necessary repairs.
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- c) A disproportionate emphasis on uncontrolled units with excessively high rents (in the case of partial controls).
  - d) Development of a black market in rental housing.
  - e) Reduced mobility among housing tenants.
  - f) Under-occupancy of rental accommodation.
  - g) High administrative and legal costs.
  - h) The political difficulty of removing “temporary” rent controls.

182

Without general price controls, which can influence the cost of producing rental housing, it is not desirable to introduce rent control. Temporary rent control is seldom feasible, and even as a temporary measure it is not a practical method for achieving a greater supply of rental accommodation at a fair price. Rents have not increased at as high a rate as the price of houses for sale, and rent adjustments may be necessary to account for apartment construction costs in order to stimulate new rental construction.

183

The primary aim should be to increase the supply of rental housing. The cost structure of the existing rental housing stock is complex, and would be aggravated by rent control. The Task Force has not been able to examine the many factors which have led to the present situation in rental housing, but feels that rent control, introduced in the absence of general price controls, should not become part of Provincial housing policy.

## RECOMMENDATION

*The Government should, as a matter of priority, examine the residential rental market, rent scales, construction impediments, and methods for assuring the required supply and reasonable cost of rental housing.*

## Condominium Sale

184

Two practices concerning condominium sales appear to be seriously affecting the rights of purchasers of condominium properties:

- a) Closing of sale procedures are sometimes drawn out over an extended period of time during which the purchaser is in possession of the property. During this time he is charged a non-recoverable rent. It would appear more proper for the rent to be allowed as payment toward the purchase of the unit.
  - b) After the purchaser has signed the Agreement to Purchase, and before final settlement, the developer/builder is able to cancel the agreement and increase the price beyond that stated in the signed agreement. There are recorded cases of substantial price increases which have been effected in this manner.
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The Task Force has concluded that the rights of condominium purchasers can be unduly prejudiced by these practices and that appropriate action should be taken to correct this situation.

### **RECOMMENDATION**

*The Provincial Justice Policy Field should be requested to examine and report on appropriate ways of securing the rights of condominium purchasers which are prejudiced by builders' closing of sale and settlement practices.*

### **Fees in Sale and Purchase of Properties**

186

Legal, real estate and other fees paid in the sale and purchase of a house add to its cost. Because these payments have to be made at the same time as the down-payment they make home ownership more difficult for the moderate-income family. It has been claimed that these fees are extremely high in relation to work done.

187

Various municipal fees applying to housebuilding and development are applied by municipalities without any apparent consistency or explicit basis. Municipal fees paid by builders are usually passed on to the house purchaser. At the very least, where they are justified, municipal fees should be more uniform.

### **RECOMMENDATIONS**

- a) *The Provincial Justice Policy Field should be requested to examine and report on the matter of fees in the sale and purchase of properties.*
- b) *The Province should review existing municipal fees concerning house building and development, and should set uniform standards for setting such fees.*

### 3. Housing Assistance

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188

Housing assistance in one form or another concerns a large segment of the population. However, different sections of the community require and get different assistance, and the needs of various groups are either partially or wholly satisfied. At a price, mortgage money is generally available without restrictions. Housing assistance to the poor is provided in a variety of ways, but is available only to a minority of those who qualify.

#### Residential Mortgage Assistance

189

Housing assistance originally began in Ontario for home purchasers, but especially after the war the Federal Government provided assistance, through CMHC, geared to support new construction for middle-income families. This program substantially supported the development of the suburbs.

190

The mortgage market, with or without Government support, works reasonably well but suffers from important supply and distribution problems. These concern fluctuations in the cost of borrowing money, restrictions on the size of first mortgages and the unavailability of second mortgages, the shortage of mortgage money in small communities, and limitations on the availability of mortgage funds for low-income housing.

191

International monetary operations and Federal actions to control the economy cause mortgage interest rates to fluctuate. Interest rate increases add to the cost of housing, making purchase by the home buyer more difficult and increasing the building costs of rental accommodation.

192

Restrictions on the size of loans by most lending institutions mean higher downpayments for non-NHA mortgages and discriminate against buyers of older housing. Second mortgages required in those cases must usually be obtained at higher interest rates. Subsidized second mortgages to bring interest rates in line with prevailing first mortgages are difficult to get.

193

Mortgages in small and remote communities are difficult to obtain, mainly because the private market prefers to operate in the larger cities where the demand for funds is steadier and the housing market easier to gauge.

194

Mortgage funds for the construction of low-income housing by private industry have always been short, and there are no mortgages available for people who want to build their own home. Limited-dividend and similar programs have been available and used from time to time, but not on a permanent basis. They are generally promoted by CMHC in response to specific market conditions.

195

New Federal legislation is intended to channel additional sources of capital into the private mortgage market, thus releasing Federal Government resources to cater to the unmet needs. The Province's Housing Corporation

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Limited has the potential for dealing with some of the current mortgage problems but has so far mainly supported programs operated by the Ontario Housing Corporation, chiefly its condominium program. A wider Provincial role in mortgage support is desirable.

### RECOMMENDATION

*An Ontario Housing Finance Corporation should be established as a successor to the Housing Corporation Limited, with the following duties and responsibilities:*

- a) To provide grants and interest subsidies for mortgages for low-income families; second mortgages for moderate-income families; and to enable purchasers of older homes to undertake needed renovations.*
- b) To lend directly to individuals when and where the private market does not operate, and to owner-builders.*
- c) To provide mortgages below market rate to non-profit organizations and cooperatives for the construction and rehabilitation of low-income housing. (Other recommended duties of OHFC are noted in Section 4, Paragraph 307.)*

## Home Ownership Assistance: Leased Lots and Condominiums

196

The Ontario Housing Corporation has operated two ownership programs for moderate-income families since 1967 — leased lots for single family homes, and condominiums for row housing and apartments. Together these two programs have provided some 27,000 ownership homes, and both programs are financially self-sustaining.

197

The success of the leased-lot program is evidenced by the immediate sale of the lots as soon as they are offered. The price advantage accrues from the fact that the lot is leased rather than purchased, and from the stipulated maximum price of the house. This makes this form of home purchase very suitable for moderate- and also for middle-income families. The operation and immediate expansion of the program is dependent on OHC's ability to buy serviced land or serviced lots. To serve moderate-income families in the future, a steady supply of serviceable land is required.

### RECOMMENDATIONS

*As part of a Provincial Housing Development Plan (see Section 4, Paragraphs 277-280) the following actions should be taken:*

- a) Establishment of the future requirements for assisted home ownership in different parts of the Province.*
  - b) Acquisition of an adequate amount of land for several years' supply of leased lots in suitable locations.*
  - c) Establishment of a housing finance budget for unsubsidized housing.*
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OHC's condominium program complements the leased-lot program and serves a similar section of the community. The experience has so far been limited mainly to the Toronto and Ottawa areas but condominium development both in row houses and apartments could be suitable in other urban areas. As well, provision should be made for condominium development on leased land.

### RECOMMENDATIONS

- a) *The present condominium program should be continued as part of a program for assisted home ownership.*
- b) *The Province, through an Ontario Housing Finance Corporation, should serve as the lender of last resort for condominium development.*
- c) *Provision should be made for condominiums to be established on leased land.*

## Assisted Housing for Low-income Families and for the Elderly

Assisted housing for low-income families and for the elderly requires subsidies to cover operating losses, which are shared among the three levels of government. Except in Metropolitan Toronto, and only partially there, the need for this kind of housing has not been determined on a comprehensive basis, either locally, regionally, or Province-wide. When OHC is asked by a municipality to advise on low-income family or senior citizen housing needs, the review reveals only the immediate expressed desires for public housing by potential tenants reached in the survey; it is a form of market survey, rather than a housing needs study.

Relating the current rate of production of public housing and senior citizens housing to the current waiting lists indicates an immediate unsatisfied demand which would absorb several years construction. Outdated family expenditure data (1969) confirm that perhaps twice as many families and elderly persons are in need of financial housing assistance than are in receipt of it. With the substantial increase in the cost of shelter in the last three years the situation is probably worse now, despite OHC's extensive construction program. These considerations relate only to "financial" housing needs, not "physical" housing needs. Though they often go together, it must be assumed that some poor families and elderly persons are housed within their means, but in substandard or overcrowded conditions.

### RECOMMENDATIONS

- a) *A thorough assessment should be made of the needs for assisted housing in all housing market areas of the Province.*

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b) *As part of a Province-wide housing policy and established Provincial housing targets, both short-term and long-term programs for housing assistance should be established, consisting of:*

- *A program for the direct provision of housing.*
- *A housing assistance budget for subsidized housing activities.*

201

The documented financial housing need for rental accommodation in 1969 was about 170,000 families who were paying more than 25 percent of their income for rent. Related to the total subsidized rental accommodation provided or currently under development (84,000 units), this indicates that, even if general construction of housing had kept pace with housing demand, there is a significant gap in satisfying financial housing needs. With the current housing shortage it seems certain that the gap is growing. Because the supply of available housing for low-income families is restricted, provision of financial assistance solely would put intolerable pressures on this supply. To bring the supply of low-income housing closer to the level of demonstrated need, further construction of public housing is needed, at least for the short term.

### **RECOMMENDATION**

*The Province should continue to provide public housing in most communities of Ontario for the short term, until the supply of low-income housing more nearly approximates the need.*

202

Firm data is not available to document the conclusion that at least twice as many families now require some kind of financial housing assistance than are already receiving such assistance. Nevertheless, in view of the unquestionable substantial unmet housing needs, in the interests of equity first priority in assistance should be given to them.

### **RECOMMENDATION**

*The Government's subsidized housing program should give first priority to housing assistance for the needy who do not yet receive it, rather than on improving the level of assistance to those already receiving it.*

203

The cost of subsidized housing assistance is relatively high; in 1972 the average operating loss per unit was about \$1,300 per year, and the total annual cost to the Province of the housing subsidy for low-income housing in 1973-74 will be \$36 million, which is projected to rise to \$75 million by 1975-76. Whatever efforts may succeed in stabilizing housing costs, it is not practical to imagine that the working poor will be in a position where they could obtain housing without assistance. The conclusion is that housing assistance for poor people on a long-term basis should be looked at within the context of general income maintenance policy.

204

In the long run, assuming that Government policy develops successfully along the lines suggested by the Task Force to increase the housing

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supply, it may be possible to concentrate on housing programs which support housing demand in the form of income assistance. The two earlier Federal Task Forces (Hellyer and Dennis) recommended basically against the continuation of public housing. As a long-term aim, this Task Force is in general agreement.

## RECOMMENDATION

*As a basic philosophy, the principle of supporting demand should constitute the basic objective of government policy. In the long run, therefore, direct housing assistance for the poor should be replaced by income assistance, and should take the following approach:*

- a) First priority should be given to extensive publicly sponsored housing construction to increase the supply of housing.*
- b) When an adequate supply is assured a comprehensive shelter assistance program should be initiated.*

205

How long it will take to arrive at the point of adequate supply will depend on the speed with which the current shortage can be overcome, hopefully perhaps in five to ten years. In the meantime, programs other than public housing, such as the rent supplement program, under which OHC leases individual dwelling units from private landlords for rent-geared-to-income tenants, has advantages by dispersing assisted tenants. OHC is also developing an enlarged rent supplement program in the form of "integrated community housing", in which developers are given second mortgage finance assistance in return for reserving up to one-quarter of the units for occupancy by assisted low-income families. Both of these programs scatter low-income housing through the community, but whether they can supply a great number of units in a short time is questionable. In a tight rental situation as exists today, and which will probably persist, the landlord and developer have little incentive to enter into such agreements. The ability to achieve successful dispersal this way requires testing.

## RECOMMENDATIONS

- a) Early programs should emphasize supply rather than the improvement of housing demand. When the supply situation eases, there should be increasing emphasis on rent supplements and other forms of income maintenance, as part of Provincial income programs.*
- b) Methods for producing "integrated housing" — such as secondary mortgage assistance with 25 percent subsidized units — should be used for a limited number of years to test and evaluate their suitability.*

206

In many cities there is probably a stock of larger homes which are occupied by elderly persons whose housing needs are now quite different than formerly. If more suitable housing could be provided for them, their underused houses could be made available for use by families with children, in locations already well supplied with transportation, schools,

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and other social and community facilities. It would be useful to develop a means whereby elderly persons who release such houses on a voluntary basis for occupancy by low-income families receive some kind of priority for senior citizen housing. This represents one potentially useful approach to increasing the supply of integrated housing for low-income families.

## RECOMMENDATION

*The Province should initiate a program to secure suitable family units vacated by elderly persons on transfer to senior citizen housing.*

207

In the search for new directions in housing assistance the Task Force has tried to view today's housing assistance needs in relation to the total housing demand and supply situation, rather than to categorize groups of people with groups of programs. Because of the growing and overlapping housing assistance needs of a broad spectrum of the population, and the rising cost factors, the Task Force has reached three related conclusions: i) More people, both proportionally and numerically, rather than fewer will require some form of housing assistance; ii) Present methods of providing assistance tend to lock-in the required supply at the lowest levels of need; iii) A major part of the solution to the current problem of housing provision lies in programs which do not, over the long run, cost public money.

208

From these conclusions comes the conviction that the approach must be to broaden housing assistance — to provide for choices, mixture and mobility.

209

The concept of broadening housing programs means that assistance, both subsidized and unsubsidized, is needed simultaneously at all levels so that the imbalances can be evened out at the correct level without affecting other parts of the housing market. For example, the shortage of moderate- and middle-income housing is partly responsible for the purchase and rehabilitation of older houses by these income groups. This so-called "whitepainting" reduces the traditional supply of low-income housing. Similar influences are felt at different levels of the housing market.

## RECOMMENDATIONS

- a) *The objectives of Provincial involvement in housing should be:*
- *To restore the effectiveness of the private market to the extent practical in the provision of housing.*
  - *To supplement the private sector at those levels where it cannot provide an adequate supply of housing.*
  - *To provide assistance to those whose incomes are inadequate to obtain suitable housing.*
- b) *The Province should take the primary responsibility for initiating a broad-based housing program in all urban areas of Ontario; this implies, where necessary, assumption of total financial responsibility by the senior governments.*
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- c) *Both short-term and long-term assisted housing programs should be guided by the objective of providing housing assistance at different levels (subsidized for low-income and unsubsidized for moderate- and middle-income) so as to prevent a serious imbalance at various levels of housing need.*

## Public Housing

210

The main effort in low-income housing has been in the form of “public housing” projects for families, and “senior citizen housing” for the elderly. Senior citizen housing is generally accepted; this is not so for family “project” housing. In view of the conclusion that for some time to come it will be necessary to continue to build public housing, the reasons for local resistance to public housing need to be understood so that the required future public housing can be developed in an acceptable manner. Public housing in the form of *large, concentrated and isolated* projects is unacceptable under almost any circumstances.

211

The present procedure for securing public housing hinges on OHC’s response to requests from municipalities for this kind of housing and its ability to secure sites on which to build. Public housing is built only at the request of individual municipalities. This procedure is followed by convention, rather than by explicit Government policy.

212

Public housing sites are established mainly through the developer proposal method. Under this system OHC requests proposals for a given project, and the developer produces the site, together with his design and cost proposal. The developer, rather than OHC, is responsible for securing any necessary rezoning.

213

The central issue is *where* to build public housing, not *whether* it should be built. Complete scattering and integration of low-income housing is not the real option, both because it would not be possible to secure sufficient sites for this purpose, and also because a certain degree of voluntary segregation of social and income groups into smaller or larger areas is a normal characteristic of every city.

## Location

214

The general distribution of public housing among municipalities raises various considerations. The case for the dispersal of public housing on a Province-wide basis into every developing urban community rests on two principles: a) The social desirability of housing a range of income groups in all communities; b) The spread of responsibility for public housing among municipalities. Wider dispersal of public housing involves the suitability of different types of locations.

215

The basically different types of locations are the built-up areas and the developing fringe areas. Generally, the advantages of one location

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represent missing factors in the other. The inner areas have the services and facilities, as well as the jobs and good transportation needed by poorer families; by and large, the suburbs are less well served in these respects. Conversely, in the fringe the land is cheaper, sites are easier to find, and neighbourhood opposition is often less of a problem in the absence of an established community; these factors do not pertain to inner city locations.

216

In general, both kinds of public housing sites are required. Public housing tenants differ, and for many, such as working families with a car, suburban locations are very satisfactory and desired. For others, such as mother-led families, transportation and access to services and facilities are paramount. It must be concluded that different kinds of locations are needed to serve different kinds of needs. Public housing has to be established both in the suburbs and in the inner cities. As concentrated new community developments are established in outlying locations, additional opportunities will occur for public housing, particularly if suitable sites are reserved during the planning of these communities. Conversely, there are unexplored opportunities in inner cities for additional public housing in the form of under-used or obsolete sites, such as older industrial properties within residential communities.

217

Since diverse locations for public housing are suitable and necessary, the Province should ensure that they are provided wherever necessary. It should be the responsibility of the Province to determine the public housing needs in all areas of Ontario; to establish priorities; to adopt within the framework of a Provincial housing development program and in consultation with the municipalities, specific housing targets which accord to regional and local development plans; and to establish the mechanism to assure the implementation, locally, of the program.

## RECOMMENDATION

*The Provincial Government should be responsible for organizing the provision of assisted housing so as to assure an equitable achievement of Provincial housing objectives, having regard to local community development objectives and local housing responsibilities. The location of public housing should relate to the social desirability of housing a range of income groups in all communities, and the spread of responsibility for public housing among municipalities.*

## Site Selection

218

The insertion of any new development into an existing neighbourhood frequently causes friction and disruption. Today, there is as much opposition to a luxury apartment building as to a low-income row housing development in many neighbourhoods. Two levels of public participation are involved in public housing site selection. It is Government policy that the residents of an area should participate in decisions concerning the use of land in their area. The residents' attempt to participate in public housing

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site selection goes beyond this, since it involves the decision as to *who* will be living on the land. It is the Task Force's view that this decision should not be the prerogative of local residents, nor should such decisions be made behind closed doors of public agencies.

## RECOMMENDATION

*Local residents should not be in a position to make the basic determination as to who will be living in their neighbourhoods and communities, and therefore should not have the right to veto public housing. However, there should be open consultation among all parties concerned, including local residents, in the process of providing public housing.*

219

The developer proposal method used by OHC has resulted sometimes in insensitive site selection, as well as in some poor designs and construction. Because it is based on severe cost constraints, the method tends to produce marginal housing sites. With some exceptions, little local consultation is involved in the site selection, though final council approval is required. The basis for OHC's decisions in site selection is not open to review by the community. The overriding advantage of the system has been that it allowed rapid construction and hence lower costs; the provision of some 70,000 public housing units since 1966 could not have been achieved without it.

220

Under tight housing market conditions developers are not as ready to offer public housing sites with the given cost specifications and, with mounting citizen opposition, sites are hard to secure. The developer proposal method is therefore less relevant at present and alternative methods may be used, such as public purchase of sites followed by traditional tender procedures for specified development design. The costs may be higher, due to higher land costs and greater delays, but other methods should be used, at least to establish their relative merits.

## RECOMMENDATIONS

- a) *The developer proposal form of public housing should be retained in areas where the system produces acceptable sites; where this is not the case the system should be changed, through prior public site acquisition, to ensure suitable sites.*
  - b) *In using publicly acquired sites, tendering methods should be used alongside developer proposals to establish the benefits and drawbacks of both methods.*
  - c) *In the use of either developer proposal or tendering methods both suburban and central area sites should be provided for the families and senior citizens benefitting from each kind of site, and the site selection process should be conducted openly.*
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## Community and Social Facilities

221

Public housing concentrates a higher than average proportion of children, and the tenant selection system inevitably brings together a number of families who need social facilities of various kinds. The lack of these facilities has contributed to the opposition to building public housing projects, by tenants as well as by the surrounding community. Financing provisions are now available for such facilities, which raises the question of the equitable provision of services.

222

The need for recreational and social facilities on a community-wide basis should be recognized. They are frequently unavailable in the neighbourhoods surrounding public housing projects, particularly in the inner urban areas. An adequate level of such services is necessary in all multiple housing development, private as well as public. Social and recreational services should be a community responsibility; when OHC provides them, whether they are used exclusively by the tenants or also by people from the surrounding area, the cost of public housing increases.

## RECOMMENDATIONS

- a) *Funds for the supply of services and facilities should be made available according to overall community needs rather than restricted to public housing needs. The responsibility for providing community services should rest with the municipality, rather than with OHC, recognizing that special occupancy characteristics may require particular attention in public housing projects, for which there should be special financial assistance.*
- b) *Major social and recreational facilities in public housing developments should be available to the residents of the surrounding neighbourhoods.*
- c) *Publicly initiated housing production, whether built for public or private ownership, should be directly related to the provision and financing of community facilities and services in each community, in order that the existing inadequate provision of such services is overcome through new development.*

## Tenant Issues

223

Public housing tenants pay rents at a level which bears no relationship to the cost or quality of the unit they occupy, but is related to their income. It is a major problem to devise a formula which is equitable and fair, does not destroy incentives to greater earnings, allows for the possibility of saving money to make normal home improvements or to secure housing on the private market, and does not increase the cost to the public purse. To combine a means test with a concept of upward mobility, while retaining fairness to a range of families in greatly varying circumstances, is a dilemma which cannot be solved in the context of housing assistance. An income maintenance program may come closer to an equitable and workable

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solution. Meantime the rent-geared-to-income scale does have serious disadvantages, in terms of incentives, privacy, reporting of income, equal payment of unequal accommodation, etc.

224

One stated purpose of the rent-geared-to-income scale is to induce tenants, whose incomes rise to a point where they can secure private housing, to move out, thus releasing their units for more needy families. This often conflicts with the need to promote community stability in public housing projects by allowing long-term tenants approaching a moderate-income level to remain as part of the community. It is also difficult for many of these tenants to leave public housing, because the operation of the graduated rent scale does not give them the opportunity to achieve any appreciable savings. It also reduces their ability to make normal home improvements.

225

There is a strong presumption for setting a maximum or "fair" rent for public housing units which is related to their cost, and which would allow tenants to accumulate sufficient resources to leave public housing as their income rises. This could also assist in any future program providing for tenant purchase of their units, which is dealt with in Paragraphs 236-238.

226

The rent scale has undergone previous revisions and is currently under review. It concerns not only the Province but also the Federal and municipal governments, which are responsible for 50 percent and 7-1/2 percent of the subsidy respectively. The Task Force is not in a position to make substantial recommendations concerning revisions to the rent scale, apart from the principle of setting a maximum rent. Fairness is of concern, as is the question of incentives and the tendency of the system to lock tenants into public housing permanently. The Task Force is also concerned about the level of assistance — a general lowering of rent levels would require increased subsidies — at a time when many eligible families receive no housing assistance.

## RECOMMENDATIONS

- a) *There should be a thorough review of public housing rents which takes into consideration the type of accommodation provided and rents in the private market as well as individual income circumstances.*
- b) *The comprehensive review of the rent-geared-to-income scale should be related to the larger question of income maintenance. In principle, rents should not be set so as to frustrate tenant incentive.*
- c) *A maximum "fair rent" should be set for all units which relates to the cost of producing the housing and which would allow tenants to accumulate enough resources to move into the private market if they wish.*

227

The selection of public housing tenants and their placement involves the assignment of priorities based on relative need. OHC also has a responsibility

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to establish livable communities in its housing developments. This responsibility often conflicts with the principle of priority, which if followed strictly would in many instances result in a very high proportion of welfare or mother-led families. As a result, some families are not housed in strict order of established need. With a restricted supply of public housing there is little that can be done, apart from sensitive tenant selection and housing management. In the long run, the solution lies in a greater variety and a larger number of units and developments to allow greater choice and movement of families.

228

Metropolitan Toronto is the only municipality in which there is no residence requirement for placement in public housing. Although the rating system for prospective tenants does take some account of the length of residency, the Metropolitan Council claims that new arrivals to the area secure priority over long-time residents. The Task Force can see no reason for the operation of two different systems in this respect.

### RECOMMENDATION

*Uniform residence requirements should be applied for public housing in all communities, including Metropolitan Toronto.*

229

The assignment of public housing applicants to specific buildings and to available locations allows the applicant only a few refusals before losing his priority position; an existing tenant's ability to move to another unit or project is also usually restricted. The choice by tenants of specific buildings may relate to transportation difficulties or other social reasons, and as a general principle public housing tenants should have the same freedom of choice as is available to all housing tenants.

### RECOMMENDATION

*The right to refuse an offered dwelling should not be denied public housing tenants; they should not lose their priority position because of such refusal, and their freedom of choice in moving from their existing dwelling to any other dwelling which may become available should be facilitated.*

230

To secure better integration and acceptance of public housing developments in local areas, some neighbourhood groups have urged that their residents should receive priority for projects in their neighbourhood. The principles behind this request are sound, but, under conditions of housing shortage, inequities would be introduced if it were adopted.

### RECOMMENDATION

*Until the supply of assisted low-income housing is brought closer to the need for such housing in any area, the residents of any particular neighbourhood should not receive priority for housing in any given project.*

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231

The public housing lease is for one year, during which time downward adjustments in rent can be made, though no increases can be made until the lease is renewed. Many tenants in private accommodation benefit from two year leases, during which time the rents will not go up. This benefit is at least as important to public housing tenants.

### RECOMMENDATION

*The term of public housing tenants' leases should be extended to two years.*

232

From its discussions with public housing tenants and the submissions made by them, the Task Force concludes that, as in private rental accommodation, the quality of management varies, but on the whole compares favourably. Yet, while the private tenant has an alternative to bad management — he can move — the public housing tenant can only complain, and many complaints are probably justified. In this restrained set of relationships special machinery is required to iron out difficulties. Provision is available for joint Federal-Provincial funding of tenant organizations, and tenant representation through this method should be facilitated. Circumstances may vary from project to project and from town to town, and a uniform method of tenant participation in management is probably not desirable or feasible.

### RECOMMENDATION

*Tenant participation in all aspects of management relating to day-to-day activities should become a general practice in assisted housing developments.*

## The Direction for Change in Housing Assistance

233

The meaning and nature of housing assistance is bound to change in the future, if only because more of Ontario's people will need assistance. Significantly, among those who will need assistance are some who formerly thought they could manage without it. That the change has already started is underlined by the fact that current OHC assistance programs are producing in about equal numbers rental units for the poor and elderly, and ownership units for moderate-income families.

234

Another factor which will be instrumental in affecting change is the apparent impasse in finding a way of building subsidized housing. The easy way of concentrating public housing on left-over or marginal sites is no longer available or acceptable.

235

Combining the provision of assisted housing for different needs represents a basic principle for future program guidance. By doing this it may become easier to accomplish more than by continuing to pursue separate programs for different needs. The general concept of combining the provision of

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subsidized and unsubsidized assisted housing derives from the desirability of making available choices in housing more closely related to changing needs.

## RECOMMENDATION

*Housing assistance, subsidized and unsubsidized, should be organized on the principle of "assistance ladders" more closely related to the operation and freedom of choice of the normal housing market. The principle would provide:*

- a) *For the family to move through rented accommodation to home ownership.*
- b) *The dwelling units should be able to serve both the need for rental accommodation and for ownership.*

236

OHC's present tenant purchase program reflects this new direction. So far, only older units originally built as "full-recovery" housing have been included, and only on a selective basis. There are many tenants who wish to purchase the units they have been renting for years. This shows that public housing can produce homes and communities where people wish to live.

237

The advantages in favour of tenant purchase are clear. It gives tenants an incentive to improve their housing condition and promotes community stability. Because of the very limited scope of the program, those tenants wishing to purchase, whose incomes have risen beyond a certain point, are in fact forced out because of the rent scale. But even with the very high rent scale for relatively high incomes, tenants often stay because of the shortage of private houses or apartments; their units are thus not available for other families in any case.

238

The disadvantage of tenant purchase at present is that a unit sold may be a unit lost to a low-income family on the waiting list. But as a principle, when the supply becomes more plentiful, tenant purchase is to be encouraged. Scales can be adopted which convert part of the increased rent of higher income tenants into equity. To facilitate this in the future, all public housing should be designed to allow it to pass readily into the private market.

## RECOMMENDATION

*As the supply of subsidized assisted housing increases, provision should be made toward economic rents and tenant purchase, and the present selective tenant purchase program should be reviewed in the light of local circumstances.*

239

New publicly-sponsored housing developments should at the outset provide for mixed developments. Many parts of cities, especially in the urban centres, offer a variety of accommodation within each neighbourhood.

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Mixing of rental and ownership units, houses and apartments, produces a community without sharp dividing lines between the different types and forms of housing. Adequate sites would be required for this kind of development, which may be particularly suitable for new community development. If a community grows up in this fashion it is easier to provide for low-income families because they will be there from the beginning.

### RECOMMENDATION

*Publicly-sponsored assisted-housing developments, where the sites are large enough, should comprise both subsidized and non-subsidized assisted housing; rental and ownership housing; and housing for low-income and moderate-income families.*

240

The general approach of variety and choice should also avoid exclusive direct Government responsibility for the provision of all assisted housing. Other organizations should be encouraged and supported to participate. Non-profit and cooperative groups have done little so far, largely because of lack of funds and expertise. They are unlikely to become a major contributor of assisted housing but their activities should be facilitated.

### RECOMMENDATION

*A broad-based approach to the provision of assisted housing should include opportunities and support for cooperative and other non-profit housing groups.*

## Housing for the Elderly

241

Senior citizen housing is part of the public housing program, and the provision of senior citizen housing proceeds on similar lines as that for family units. The major exception is that it proceeds with general approval and support by the public.

242

The kind of housing needed by the elderly has been well established — small units with access to general and special services, transportation facilities, and some companionship — but the size of the need has not been established. OHC has provided 18,000 units for the elderly outside Metropolitan Toronto and intends to increase that number to 33,000 by 1976. In Metropolitan Toronto, there are 13,000 senior citizen units, and 3,500 are to be added in the next three years. In addition, elderly housing needs are served by non-profit hostels, cooperative housing, hotels for the aged, and by group homes and private placement.

243

In Metropolitan Toronto, senior citizen housing is provided by two agencies — OHC and the Metropolitan Toronto Housing Company. As a result there is duplication of waiting lists, site selection programs and building programs. Part of Metro's housing employs a full recovery rent scale, though the Federal Government has indicated its willingness to trans-

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fer these to geared-to-income rents. Because the Province does not share the subsidy on Metro's senior citizen housing, Metro taxpayers pay appreciably more for supporting senior citizen housing than the taxpayers elsewhere in the Province. The division is historic in origin, but there is no real justification for two public programs and organizations serving the same need in the same area, and the system works to the disadvantage of both the prospective tenants and the community at large.

### RECOMMENDATION

*The public responsibility for senior citizen housing in Metropolitan Toronto should be handled by one agency and should be subject to uniform subsidy arrangements.*

244

In addition to the Government's direct responsibility for housing elderly persons, the Province should assist the voluntary organizations that are also concerned with this. Their activities, though on a smaller scale, can be especially helpful to serve small groups of elderly who prefer to live together, and at some special location.

### RECOMMENDATION

*Provision of housing for the elderly should not solely be a direct Government responsibility. Non-profit groups, cooperatives, credit unions and others should be assisted by the Government to develop housing for the elderly.*

245

Just as there is no accurate information on the extent of elderly persons' housing needs, the elderly with housing problems cannot easily find out what is available to them — from public agencies, voluntary organizations, or in the private market. The maintenance of current information would be useful in this respect.

### RECOMMENDATION

*A senior citizen housing registry should be established in each housing market area to list and give advice on all types of elderly persons' housing.*

246

The rent scale for senior citizen accommodation also causes difficulties, but of a different kind. Older people do not have income in the conventional sense, and the income they may have is usually fixed and declining in value. It is, therefore, a questionable practice to calculate a rent geared to income. A better method might be based on treating rental assistance as a residual after necessary living expenses and discretionary income have been allowed for.

### RECOMMENDATION

*A different rent formula for housing the elderly should be established which takes account of the financial circumstances of older people with no income or fixed incomes.*

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247

The public programs for housing the elderly have been generally more successful and more acceptable, to the elderly and to the community at large, than the programs for family housing. It has been established that on the question of location it is necessary to provide for the elderly in all kinds of locations — inner cities as well as on the outskirts. On the question of variety there is room for review and experimentation. The elderly, like the rest of the population, live according to a variety of life styles which they have acquired over a lifetime. Their housing should reflect this variety. Similarly, on the question of cost, some elderly persons are able and willing to pay for more amenities. The private market is too high for many of them, but they can pay a price between the private and the public housing scale, and would do so if the accommodation were available.

### RECOMMENDATION

*Senior citizen housing should be provided in maximum variety to fit living habits in regard to type of housing and to suit locational preferences; it should also allow for preferences and ability to pay for different kinds of accommodation.*

## Housing for Other Groups with Special Housing Needs

248

In addition to the elderly, whose housing needs require different considerations from those of families, there are other groups of people whose housing needs also require separate consideration; they include native people, physically handicapped and mentally retarded persons, people living in single rooms, and students. Their housing needs are principally financial, but are to some extent physical also.

249

While the housing needs of these groups may require special considerations, the satisfaction of those needs can often be met jointly or as part of general housing programs. Their needs, as those of the elderly, are not well documented. Common programs may often provide better solutions to serve their needs. As in all other housing matters, the housing for groups of people with special housing needs should be viewed comprehensively rather than separately for each group, as a matter of general policy.

### RECOMMENDATIONS

- a) *The actual and relative housing needs for each of the special groups should be established.*
  - b) *Special housing needs should be served by a variety of appropriate housing types and locations.*
  - c) *The housing needs of several of the special groups are identical or complementary. In the past, program convenience rather than the*
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*requirements for serving special housing needs has led to separate housing provision for each group. Wherever possible, housing assistance to meet the needs of special groups should be satisfied in an integrated manner. This is to assure greater flexibility in providing for changing housing demands, to achieve socially compatible community development, and to prevent isolation of individual groups of people. As a general principle, planning should be directed to the housing unit, rather than to specific types of occupancy at any given time.*

- d) *Persons and groups with special housing needs should have full access to assisted housing.*

## **Native People**

250

Five factors characterize the difficulties of dealing with the housing needs of native people:

- a) Problems related to provision of serviced housing in the north and remote areas.
- b) Low incomes of Indian families.
- c) Separation of Federal-Provincial jurisdiction over Status Indians on reserves and all Indians (Status, Non-Status and Metis) off reserves.
- d) The migration of Indians.
- e) Substandard housing conditions, particularly on the fringes of northern towns and in roadside settlements.

251

The Federal Government is responsible for the housing of Status Indians but concentrates its responsibility in this respect on Indians living on reserves. Thus Status Indians not living on reserves, like non-status Indians and Metis, are essentially given no special consideration different from those of other citizens in the Province. The Provincial Government's involvement with Indian housing is recent, with limited results so far. A permanent program operated by OHC — the Northern Ontario Assistance in Housing — is available to all residents but could serve especially the non-Status Indians and Metis, though minimum rents are perhaps too high for most Indian families.

252

The acute housing needs of native people require special considerations to fit their traditions and sentiments. These include emphasis on self-help, preference for ownership, and community involvement. Also, different standards may apply in providing housing for Indians moving to towns and for those living outside towns.

253

The cost-sharing arrangements between the Federal and Provincial governments in respect of housing for native people are unsatisfactory and require review. Another issue which was brought to the attention of the Task Force concerns the question of discrimination against Indian applicants for OHC family housing in some northern and northwestern communities. This matter should be examined and resolved.

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## RECOMMENDATIONS

- a) *Approaches to housing assistance to native people should be guided by their preferences in regard to self-help, ownership rather than rental housing, and community involvement.*
- b) *Different ways and different housing styles should be adopted in providing housing for Indians depending on locations and on preferences.*
- c) *The Province should negotiate with the Federal Government about financial housing assistance for Status Indians off the Reserves.*
- d) *The claims concerning discrimination against Indian applicants for public housing should be examined; and if it is found that discrimination does occur, it should be corrected.*

### Handicapped Persons

254

Physically disabled persons need housing structurally adapted for their ease of movement, and they need financial housing assistance because a high proportion of them are unable to work or to earn good wages. They also need other help such as housekeeping assistance which can be suitably provided to the handicapped persons if they live in small groups. They should not be denied access to public housing because of the lack of such assistance.

255

As with the other groups with special housing needs, it is not known how many disabled need housing assistance. The kind of assistance required to serve their needs is extremely varied, because some of the handicapped can or could live at home while others live in institutions, as provided under The Charitable Institutions Act.

256

Provisions contained in the National Building Code, if generally adopted, would have the effect of making most new residential construction accessible to the disabled. OHC is now making provision for the disabled in its new construction. Housing assistance programs should be directed to the following:

- a) Financially assisted housing in all areas, both family housing and housing for elderly, should include sufficient units structurally suitable for the physically handicapped.
  - b) For the handicapped living at home, or able to live in their own home, loans or grants should be available for the necessary alterations.
  - c) The Government should develop suitable information about the housing needs of the physically handicapped in the various parts of the Province; it should then encourage the private market to provide a sufficient number of rental units to meet the general needs of the handicapped, providing financial assistance, if necessary, for additional costs incurred.
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## RECOMMENDATIONS

- a) *The Social Development Policy Field of the Provincial Government should examine the housing needs of physically handicapped persons and make recommendations on how to meet those needs, in terms of housing and related housekeeping assistance.*
- b) *The Province should ensure, possibly through adoption of Supplement No. 5 of the National Building Code, that sufficient units structurally suitable for the physically handicapped are provided.*
- c) *Loans and grants should be made available to the handicapped for home alterations to their needs.*
- d) *Units for the handicapped should be made available in both senior citizen and public family housing.*

## Mentally Retarded Persons

257

There is little hard information about the number of mentally retarded in Ontario. There is no real knowledge about the degree of retardation, the incomes of families with retarded members or the incomes of those retarded able to work, or about the housing needs of the retarded. Some retarded persons are able to earn an adequate income, others can function in sheltered workshops, and others require constant supervision. A number of retarded persons live at home. The conventional answer has been institutional care which is costly to the public and often inappropriate to the individual. There are, in addition, a number of retarded persons who are capable of independent living but have no place to live. Some accommodation in the form of group homes can be provided through The Retarded Persons Act.

258

It does not seem practical for OHC or any public housing agency to establish or to deal directly with the very special needs of the mentally retarded, because their primary programs and services are medical and social. Charitable and non-profit organizations, conversant with and providing service for the retarded, should be provided with additional funds so that they can establish housing needs, the range of housing assistance appropriate, and develop housing programs accordingly.

## RECOMMENDATIONS

- a) *The housing needs of the mentally retarded and suitable programs should be established by the Social Development Policy Field of the Government.*
  - b) *The main public support for housing the mentally retarded in need of housing assistance should be directed through charitable and non-profit organizations established to care for the retarded.*
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## Roomers

259

Roomers — persons living in other than self-contained accommodation — generally live this way because the rents are cheap (ranging typically between \$15 and \$20 a week), and the room is furnished and heated in winter. Roomers are persons with low income and include students, young working people, working poor of all ages, old people, and welfare recipients. Rooming accommodation is mainly found in the larger cities and usually in converted houses.

260

The supply of rooming houses is unknown, as is the loss of rooming houses due to demolition or conversion to other uses; there is also little information about the demand for rooms. The provision for roomers has been left almost completely to the private market. The general, and probably false, impression about roomers is that they comprise mainly persons with welfare or personal social problems. Many of the roomers are probably transients or persons in need of minimal accommodation for a short time only. For some of them, the recently completed project in Toronto, jointly provided by the YWCA and OHC, is a good, but so far unique, example. It offers bed-residences to some 330 young working women with low incomes at rents geared to their incomes. Another kind of example, not restricted to women, is the Alexandra Park Cooperative in Toronto, where several rooming houses are incorporated in a predominantly family project.

261

Despite the difficulty of establishing the roomers' market, it should be a public responsibility to see that there is suitable accommodation for them. As in the provision for other special groups, it would be preferable if this provision is not made separately from complementary needs. Most of the roomers' needs could be met by efficiency apartments incorporated with elderly and student units, or by bed-residence type accommodation equally suitable for students and single low-income working people.

## RECOMMENDATIONS

- a) *The single room or efficiency apartment needs for single low-income persons, elderly, and students should be established.*
- b) *A suitable program for roomer accommodation should be related to housing programs for other special groups needing similar types of housing.*

## Student Housing

262

It has been estimated that more than half of post-secondary students live away from home, about one-quarter on campus. The number of students living at home is declining, and the demand for off-campus housing remains heavy. The institutional nature and the cost of on-campus housing are the two most important factors leading students to seek off-campus housing.

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263

On-campus student housing projects, through the Ontario Student Housing Corporation, have come to a halt with the present drop in enrolment. The future provision of student housing will require a thorough review in the light of future enrolment projections.

264

Student housing cannot be usefully discussed on a Provincial basis; the student housing needs in a northern community are different from those in Kingston or London, and neither of these needs are relevant to Toronto or Ottawa. The location of the college or university, the size of the city, and the nature of the city's housing market, as well as changing attitudes toward on-campus housing, determine local student housing needs. One specific question which needs examination is the student housing needs in community colleges located in smaller communities where there is not much suitable private housing available for this purpose, particularly those colleges which tend to draw their students from a wide geographic area.

265

From the perspective of the total housing needs for assisted housing, students represent one category of persons in the market for low-cost housing and, as such, they compete for housing with other low-income individuals and welfare recipients. They can also be suitably served by conventional rental accommodation which can be shared by several students, but this is constrained by the fact that the academic year does not provide apartment owners with sufficient security of tenure.

266

Student housing has been studied in recent years by and for the universities — for individual universities and country-wide — and the issues are well understood by now. A general review of special housing needs leads to the conclusion, in reference to student housing, that so specific a need which also appears to fluctuate over time and place is probably better assisted by enlarging the supply of student-type accommodation generally. People living in single rooms, young couples, some of the elderly, and students can be accommodated in the same development, large or small, downtown or in the fringe, to their mutual benefit and that of the surrounding community.

## RECOMMENDATIONS

- a) *The development of student housing programs should be related to enrolment and to the local housing market.*
- b) *Off-campus student housing should be provided as part of the general assisted housing supply for smaller rental units, as far as possible.*

## Government Housing Responsibility and Provincial Housing Program

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267

The discussion to this point has outlined the factors and conclusions which support the Task Force's consideration of the housing situation in Ontario. Specific recommendations deriving from these findings have been identified in an explicit way. The material which is contained in this section and the following section concerns the entire question of Government housing responsibilities, programs, and Government organization for housing, and in effect constitutes the Task Force's recommendations in this respect. Specific recommendations are therefore not explicitly identified, as in the preceding sections.

268

The Task Force is recommending specific Provincial housing objectives, and has reached conclusions about the different kind of public actions which are required under the present housing situation to achieve those objectives. The Task Force is also convinced that all of the required actions must be put together in a coherent form to establish one **PROVINCIAL HOUSING DEVELOPMENT PROGRAM**, rather than add various new ad hoc Government housing activities to the range of existing programs. In a sense, a proliferation of unrelated programs has been the major problem up to now.

269

Another dimension of Provincial housing responsibility is reflected in the fact that the housing situation in the Province has escalated to a far greater degree than could be dealt with by existing Government machinery, and has reached dimensions which could not have been closely predicted even three years ago, though elements of the situation have been visible for some time. The establishment of this Task Force is itself a recognition of the size of the problem, and underlines the crucial responsibility for monitoring the housing situation, assessing the implications of Government activities relating to housing, and formulating coherent policies respecting housing in both its short-term and long-term dimensions.

270

The responsibilities which guide the housing development program should be clearly seen to serve the Provincial housing objectives, as well as the Government's overall policies, programs, and budgetary process.

### Housing Responsibilities

271

The first set of responsibilities is concerned with establishing housing needs and priorities for meeting them. It will be necessary to determine the current and future housing needs for all sectors of the community and for all groups with special housing needs in all housing market areas of the Province. Having determined the needs it will be necessary to establish priorities. Without priorities it would be difficult to draw up a fair and equitable housing program. The priorities should relate to social circumstances and to the relative needs of the different geographic areas of the Province, and to overall Provincial economic and social development objectives.

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272

The preparation of the Provincial housing program should include responsibilities for setting specific housing targets for each of the housing market areas; relating the targets to regional and local development plans; and relating the targets to local regulation of community development — in short, the responsibility to ensure implementation of the program.

273

A responsibility related to priorities concerns the provision and management of assisted housing in a manner which will assure an equitable achievement of Provincial housing objectives, having adequate regard to local community development objectives and local housing responsibilities. This constitutes a joint responsibility on the part of the Provincial Government and the municipalities. It is necessary to recognize the importance of general acceptance of responsibilities in this respect.

274

A further implementation responsibility concerns the organization for financial management of the housing development program. The short-term and long-term financial obligations of the housing program must be integrally related to the Provincial budgeting process.

275

A final responsibility is to assure the proper functioning of the housing program through the joint actions of the private, public, and voluntary sectors. In the final analysis, the kind of program recommended by the Task Force can be successful only if the various actors in the housing field play their most effective roles. It is for the Government to serve as a catalyst and to establish and operate a suitable framework within which each sector can best perform.

## Guidelines for Housing Programs

276

For the selection of different actions in pursuit of housing objectives under the present housing situation, the following guidelines are proposed:

- a) Land supply should be given major program emphasis, in both its public elements — land servicing and public land acquisition.
  - b) The programs should lead to a housing supply which in general more closely matches the distribution of incomes, thus reducing the need for subsidized assisted housing. This implies a dual approach to the future housing supply — to reduce housing costs, and to adjust housing standards.
  - c) Land servicing should receive primary emphasis in the joint program of land servicing and acquisition, provided that owners of developable land will meet an agreed commitment to bring such lands into housing production at reasonable prices which restore stability to the land market.
  - d) Public land acquisition for strategic intervention in the market should be subsidiary and should be used when the private market is unable or fails to meet established Provincial housing goals.
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- e) The mix of program activities at any given time should observe that:
- Housing objectives are not pursued selectively.
  - The broadest variety of program methods and approaches is used.
  - Support is given at all required income levels, and for all types of housing needs.
  - Activities combine the expansion of supply and support of demand in appropriate proportions at any given time.
  - Housing and regional planning activities are suitably coordinated.
  - Government direction of regional and community development is undertaken in order to *assist* housing production, rather than to raise standards or otherwise impose uniformity or inhibit the satisfaction of housing needs.

## Provincial Housing Development Program

277

The Task Force emphasizes that the recommended program constitutes a major effort and not a minor Governmental task. Strong action is dictated by the seriousness of the present housing situation; by the wish on the part of the Government to influence effectively the development pattern of Ontario; by the significance of housing to the economy of the Province; and by the social importance of suitable housing for everyone. The effort will be difficult to mount, but there is need for a change.

278

Change means to do things differently. Some of the existing programs work and should continue, and others do not work as well. But mainly, activities should be undertaken which have not been tried before, and there should be a shift in direction. The point which should be clearly understood is that the Task Force is not merely asking for more of the same programs, but for a range of programs which include some of the same and some of the new.

279

The recommended program attempts to replace the present condition of struggle; of private industry at odds with regulations; of Government managing programs at odds with each other; and of Governments pursuing conflicting objectives. There should be recognition of the respective roles in the production of housing, and machinery for these roles to be performed effectively.

280

The proposed program is presented in outline and not in any detail. In the first stage of the program it will be necessary to establish the full scope of Provincial activities and their relationships, the nature of the implementation arrangements, and the links to related Provincial, municipal and Federal activities.

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## Program Elements

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Essentially, the program consists of:

- a) Gaining a Province-wide overview.
- b) Disaggregating housing needs, geographically and by income.
- c) Specifying required actions by the public sector (Provincial and local), and by private industry.
- d) Securing implementation.

282

The organization of housing information for the Province and for housing market areas is essential. Existing housing data, mainly provided by the Federal Government, is of limited use for analysing smaller areas; other useful information is often too difficult to compare because of the use of different geographic bases or different presentation techniques. The Task Force's information has had to be drawn from disparate sources, and revealed considerable gaps. Aside from filling data gaps and organizing existing information, there is need for relating housing information to development control information on a periodic basis; relating it to service programs; comparing it with the assessment information currently being developed; establishing a Province-wide land information system; and providing an effective ongoing monitoring system. Expansion of existing Provincial statistical services is essential.

283

Current and future housing requirements for the Province or for housing market areas are not known at the present time; although a few municipalities have made their own estimates, they are usually long-range projections of little value for short-term programs. A basic element of the Provincial housing program is to determine housing requirements for specific time periods.

284

This should be followed by the setting of housing targets for each housing market area. These targets should specify, in broad terms, housing related to the number of households, household sizes, and household incomes, to establish the general order of magnitude of the size and type of housing requirements to satisfy regional and local development and planning policies.

285

Housing requirements should be converted into land needs and land servicing requirements. The land supply estimates should consider a wide range of purposes so that the land program can be more effective. The purposes to be served include:

- a) Sufficient land to meet housing needs.
  - b) Provision of more than minimum land need to avoid tight land markets.
  - c) Availability of serviced land in support of policies for regional growth.
  - d) Suitable distribution of choice of land within each housing market area.
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286

Land supply and land servicing requirements, together as one program element, will support the achievement of housing targets. The three factors — housing targets, land supply, and land servicing — as a program should assure for the first time implementation of both regional and local development plans, which up to now have lacked any means of translating desired land use patterns and long-range population projections into reality.

287

Within each housing market area more detailed decisions should be made concerning the disposition of residential land by time phases linked to the servicing program, and distribution of housing developments by type and densities. These aspects of the housing program should be merged with the local planning process.

288

The overall financial implications of the housing development program, as far as they affect the public sector activities, form another major element. Responsibilities for installing major trunk services, transportation facilities, schools, grants to municipalities, land acquisition, and housing assistance have to be costed by development phases, and funding programs devised.

## **Program Implementation and Program Relationships**

289

Identified needs and established targets, even with the assessment of financial feasibility, will not by themselves lead to action. To assure housing production, the necessary actions should be operated and funded to achieve housing objectives. Many of these required activities, such as land servicing, are carried out now, but they do not relate to housing production or to community development programs.

### **Primary Services**

290

A staged program should be drawn up which will assure primary service capacity in all housing market growth areas. The recommended goal is that established land needs for housing and related development be serviced three years ahead of actual expected land absorption. Primary service capacity cannot be provided in small increments, in terms of the extent of land serviced and the amount of capacity offered at one time. The goal of three years surplus primary capacity constitutes a minimum, because the opening of major treatment facilities, main trunks, or major roads provides capacity for much longer than three years.

291

Provincial budget priority should be given to allow achievement of the goal in ten years time. The Task Force has been advised by the Ministry of the Environment that an accelerated program which meets urgent urban growth needs and clears up the backlog of pollution problems could at the same time achieve the goal of providing surplus capacity at a feasible Provincial cost level.

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292

The Ministry should be requested to develop a detailed program to achieve this goal. The staging of the program to reach the surplus capacity situation should be determined by giving first priority to areas of highest land prices and most serious housing shortages, and second priority to the distribution of services within all major housing market areas. The service program should be carried out within the context of established regional development policies, based on commitments by land developers to produce required housing targets. Regional development planning should give major consideration to the question of housing needs and housing supply, and should be adapted to meet the short-term housing requirements in critical areas of the Province.

293

In several instances primary services are being provided by municipalities rather than the Province. These are often delayed because of the imposition of high Provincial standards entailing high service costs; when the services are supplied Provincially, the costs are recovered through user charges, but when supplied locally the high costs directly affect the municipal financial situation. There is no reason in principle for the responsibility for primary services to be assigned to either level of government at the exclusion of the other. What is necessary is for standards to be reviewed in the light of specific local circumstances, and services below standards permitted on a temporary basis where necessary, to allow achievement of the surplus capacity goal.

## **Secondary Services and Supporting Facilities**

294

Many municipalities, especially smaller and rapidly growing communities, are unable to provide and pay for the installation of secondary services in support of housing development. Arrangements vary considerably now for the payment of the services, usually resulting in the direct passing on of service costs to the home purchaser. As a principle there should be a return to a general system of provision of secondary services by municipalities rather than by developers, and the elimination of levies by municipalities for secondary services.

295

Under present circumstances this implies financial assistance to municipalities. Grants could be made available according to established financial needs based on a formula related to the per capita assessed value of municipalities. Among the qualifying municipalities priority for allocating grants would follow the same principle as for the provision of primary services — first to areas of highest land prices and most serious housing shortages, and second to distribution of services in all major housing areas.

296

Assistance to communities in designated growth areas should also be available for necessary school building programs and other community services; at the least, the current restraint on school building should be modified by similar priorities as recommended for the servicing program. In addition, Provincial grants will be necessary to provide staff assistance to small

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growing communities for planning and control of growth according to regional development policies.

## Land Acquisition

297

A wide range of uses is recommended for lands to be acquired by the public — for public housing, for non-profit and cooperative developers, for leased lots, for new community development, for new development to implement regional development policies, for influencing the land market, and for municipal purposes. A total land acquisition program should be established which relates the various land needs in each housing market area to the regional development plan, to the servicing programs, and to the long-term development policies of the Province.

298

The land acquisition program should consist of at least two elements: one part dealing with raw land for long-term needs, which can be estimated in aggregate to conform to regional development policies, and the other part for specified short-term needs, requiring serviced land or land to be serviced early. For most uses, there are no criteria by which to establish the amounts of land to be acquired. OHC has not been given any guidelines for its residential land acquisition program. For the leased lot program, it has been constrained by the cost of serviced land, rather than by any established guidelines. Assuming no serious financial constraints, OHC at present would proceed with general residential land acquisition on the basis of securing about 25 percent of the long-term residential land needs in growing urban areas.

299

Specific criteria for public land purchase cannot be established at this time. This should be the first step in the development of the land acquisition program. Considering the wide range of uses for the land to be acquired, it is likely that no general Province-wide principle would apply. It would more likely be necessary to take growth rates, present housing conditions, land ownership and development programs in each area into consideration to arrive at suitable policies.

300

To support the recommendation for an extensive public land purchase program, there should be some idea of the possible cost. All of the land involved will ultimately be put into profitable use, except for land which is reserved for public uses; these would have to be paid for from public funds in any case. The money spent on the land would not constitute a capital cost over the long run, and should possibly return a small profit after allowing for operating and management expenses. After the program has been in operation for some time, the money returned from the use of lands under lease and from the sale of land can be used again for further land purchase, and the program could continue on the basis of a revolving fund.

301

It is not feasible at this point to estimate the likely cost of the Government's land program, but the general order of magnitude can be assessed. This would be based on the assumption that there should be a steady flow of

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available land rather than a crash assembly program which would raise the general level of land prices; and that sites would be acquired in areas capable of being developed both in the short term and the long term.

302

It can probably be assumed that the Provincial land program would take place in the 20 major urban areas where most of the Province's residential growth now occurs. If it is assumed that, on the average, as much as one-quarter of the total residential land consumption should be supplied from public land holdings, this would amount to about 35,000 acres over the next 20 years.

303

Such an acquisition program should be carried out over a ten-year period, including land purchases with early as well as long-term development potential. The estimated capital cost would be \$50 to \$55 million per year for the first five years, and \$10 to \$15 million per year for the next five years. On the basis of 90 percent loans from Federal funds, the annual cost to the Province would be \$5 to 5-1/2 million per year, plus interest, for the first five years, and \$1 to \$1-1/2 million per year, plus interest, for the sixth to the tenth years. These estimates are not based on a detailed evaluation of future land requirements, but are intended to illustrate the possible scope of a Provincial land program.

304

The leased-lot program is not included in these estimates. The lots are serviced, and current plans for 4,000 to 5,000 lots per year constitute a capital cost of \$30 million annually.

305

These figures also do not allow for the proposed major new towns such as North Pickering and Woodhouse, at least not in total. These are intended to be developed over a very long-term period, and cannot easily be related to the housing needs of the main urban centres over the next 20 years. To the extent that they do accommodate such needs, they would, in fact, comprise part of the illustrative land cost estimates.

306

The funding of land acquisition has so far relied heavily on Federal assistance. Under the new amendments to the National Housing Act, provision is made for the support of public land purchase for housing purposes. There has been no firm announcement on the amount of funds to be available in the long term, beyond a minimum national commitment of \$100 million per year for five years. The limits of Federal fund support will probably depend on the demands made by the provinces. It is difficult therefore to estimate how much Ontario can expect from this source for its land acquisition program over the long term.

307

To carry out an extensive land acquisition program in support of long-term housing objectives, the likely Federal funds may be insufficient, unless the Province can successfully negotiate adequate funds. In that case, the Province should establish a land purchase fund. Additional capital could be raised through the sale of bonds secured initially by the Province's credit, and subsequently by the equity in the land-holdings. The land acquisition

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fund should be operated by an Ontario Housing Finance Corporation, which should deal with all finances relating to the Provincial housing program.

## **Assisted Housing**

308

The other major element of the housing development program would be the assisted housing program. It should be based on established needs for subsidized and unsubsidized housing, by stages, in each housing market area. From these a planning and financial program would be developed. An annual financial program would allocate funds, according to established priorities for the various assisted programs, to the agencies responsible for the housing development in the various housing market areas.

309

The size and specifications of an assisted housing program cannot be determined at this time. It has been concluded that there is a need for such a program, and recommendations are made about the approach and the nature of the program. Based on assumptions which have no foundation of need, an example of the cost of a possible program has been estimated.

310

This estimate is based on the assumption that the average subsidy per unit for both family and senior citizen housing will continue to rise at about the recent rate. The current Provincial operating cost for the family housing program is about \$28 million. If the program expands at about the same rate as in recent years (an addition of 5,000 units per year), the annual operating cost in five years might run to about \$68 to \$70 million. If a higher target is set, say a doubling of effort to 10,000 additional units per year, the annual operating cost in five years would be about \$95 million.

311

For the senior citizen housing program, the combined operating cost to the Province and Metropolitan Toronto is now about \$15 million. At OHC's proposed rate of an additional 6,500 units per year, the annual cost in five years would be about \$45 million: if new construction is raised to 10,000 units per year, the cost in five years time would be about \$60 million per year.

312

As with the land cost estimates these figures are only illustrative. They do not take into account many unknown factors, such as the possibility of a thorough revision in the rent scales for family and senior citizen housing, nor the likely effect of increased development costs resulting from lower densities, smaller projects, higher design standards, or additional community services. The indicated figures may be low, therefore, but are of some use in describing the order of magnitude of future housing costs to the Province.

313

Whether the indicated level of costs can be accommodated in the Government's financial program will depend on its assessment of relative priorities between different programs. To the Task Force, it does not

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appear that the indicated expenditures for major services, residential land and housing assistance, as well as the corresponding expenditures for social and community services, represent unattainable goals, given the general scale of Provincial operations and the magnitude of the housing problem in the Province.

## **Municipal Cooperation**

314

Crucial to the implementation and success of the program would be the actual production performance at the local level. This is not only of significance to the housing development program but also to the Provincial regional development program. Policy which is made at the Provincial level can be frustrated at the local level, and the reverse also takes place. The Task Force is convinced that some method which has a chance of guaranteeing local as well as Provincial performance should be instituted. The recommended approach is for a system of comprehensive long-term Provincial-regional-local agreements on jointly developed programs, supported by financial incentives and financial sanctions.

315

The first step in this direction would be the creation of an integral relationship between the housing development program and the regional and local planning process. All plans — Provincial regional plans as well as regional and local Official Plans — should be required to include a housing element. The Province should establish regulations specifying the content and detailed requirements for this housing element.

316

The municipalities in the Province are generally concerned about their housing situation, are unable to cope with its problems, recognize that it is the Province's responsibility to deal with housing, and are by and large willing to cooperate to find a way of solving their housing problems.

317

Ready reception will be given by municipalities to financial assistance for services and community facilities; equally acceptable will be assisted housing programs for moderate-income families, such as the leased-lot program; senior citizen housing is also well received by municipalities. Subsidized family housing is less acceptable under present conditions. To the extent that this results from anticipated financial difficulties, this situation will have to be changed for many municipalities to begin to accept their share of responsibility. In addition to financial incentives, the municipalities and their residents should be called upon to take the initiative in dealing with their subsidized housing needs in the way that suits them best, rather than resist Provincial efforts to provide housing for people of their community.

318

Other recommendations in respect of the administration and management of public housing should support this approach by making elected and appointed local officials directly accountable for handling the most serious housing conditions in their communities.

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319

In those cases where municipalities fail to respond, it would be appropriate for the Province to use its financial powers and withhold funds in order to achieve Provincial housing objectives.

320

Provincial leadership in housing development might be more readily recognized if the annual Provincial budget contains a separately identified budget for housing and community development. Visibility of the Provincial commitment to servicing of land, assisted housing, land purchase, etc. may be of help in getting better local cooperation.

321

An overview of the progress of the housing development program should be organized and monitored at the Provincial level. The relationship between the housing development program and community development generally is best facilitated by joint administration of development control (Official Plans, subdivisions, etc.) and assisted housing programs. Annual review and monitoring of regional and local progress is a necessary function which also allows adjustments to be made to the program, where needed.

## Program Support Activities

Aside from the establishment of the Provincial housing program, several other housing matters require review, revision, and change. These changes should be instituted immediately, while a housing development program is being established.

### Provincial Planning

323

The Provincial regional planning program should be rapidly advanced to its next step: from its present effort of a broad-brush exercise to a more sophisticated, technical planning approach which goes beyond simple land use considerations and incorporates economic, social and housing considerations. It should provide a proper appreciation of the consequences of alternative development patterns, in terms of housing costs, implementation, and other matters not now part of the program.

324

There are two preconditions for the formulation of suitable Provincial regional plans. One is that they be based on a well articulated Provincial structure plan which establishes goals and targets for the five Provincial planning regions, based on overall Provincial objectives. The other is to distinguish between the nature of Provincial regional plans, expressing Provincial goals, policies and programs, and regional Official Plans, which spell out regional development patterns conforming to Provincial policies. Both of these aspects are essential for carrying out a Provincial housing development program. The distinction has not been clear to now.

325

In the ongoing Provincial regional planning program suitable cognizance must be taken immediately of the seriousness of the housing situation. It is absolutely essential that the current planning program for the Central

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Ontario Region be re-evaluated with respect to its implications for both short-term and long-term housing requirements, and to the extent that pressing short-term needs may require some modification of long-term objectives, these should be given serious consideration; at the least, the implications of these long-term objectives should be clearly understood, and the likelihood of attaining them determined. In the other regional planning programs, which are less advanced, there is still time to insert the essential housing component into the ongoing work, and this should be done.

326

The Province has another responsibility affecting both general development and housing. It must face the implications of the current "limits of growth" movement. At the Provincial level the concept has little meaning, especially at a time of continued immigration. The options of where growth should occur are limited, particularly in the short term, but the consequences of misunderstanding the situation are serious for housing production and housing costs. A leadership role by the Government is required to enlighten the public and to adopt realistic policies, regionally and locally, which take account of both the benefits and costs of growth.

327

Related to the growth question is the concern for the natural environment as it is affected by housing and urban development. The environmental rules imposed today are in part a reaction to past neglect. The purpose of the rules is in the public interest, but in their present form they frequently conflict with the implementation of housing objectives. The regulations should be open to review and revision. Results achieved by the new regulations and methods which inhibit housing development may be achieved by different methods and new technology. The Province should constantly examine the regulations and methods for protection of the environment, especially those which have delaying and costly consequences on housing, to see whether alternatives are available.

328

Clarification of the development control process, revision of development control machinery, and rationalization of minimum development standards are also a necessary condition to the proper implementation of a Provincial housing development program. The specific recommendations outlined in Section 2 of this report (Paragraphs 56, 59, 62), should be given prompt consideration and appropriate action taken.

## Medium-Density Housing

329

Housing forms have tended to become polarized in Ontario; at one end is the single family house and at the other the high-rise apartment building. High land costs have reintroduced the single-family row house, but little other medium-density multiple housing is being built. Developers claim that development controls inhibit this form of housing from being produced. Cost advantages over the single family house, and mounting opposition to high-rise apartment development call for an examination of medium-density housing. The Province should experiment, encourage,

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and test medium-density residential developments, and review Provincial and local development controls to remove restrictions hindering this type of development.

### **Short-Term Housing Program**

330

The current housing situation indicates an extremely restricted supply of serviced land and reduced apartment construction in many areas. The immediate outlook shows no improvement, unless decisive actions are taken. Under any circumstances, a program of the nature proposed by the Task Force would start with a short-term action program. In today's situation a short-term program has special meaning — to prevent a housing crisis.

331

Actions are required to speed the general supply of single-family housing and multiple housing both for rent and for sale, particularly in the three major urban areas — Metropolitan Toronto, Hamilton and Ottawa — and possibly in some northern communities as well. Without action to improve the general housing supply in these areas, the needs for assisted housing will continue to mount. An action program should be mounted to deal with what is effectively a housing emergency.

332

Speedy action is required because the shortage is a real one, and with all impediments removed it will still take a year or more before any results can be felt in the housing market. Strong action is also necessary because of the many obstacles preventing housing production today. If it were easy to get over the difficulties, normal procedures would have succeeded by now in view of the strong unsatisfied demand. Both Government and the industry should be prepared to work under a different set of rules than they are used to, until housing production in the three major urban areas has been brought into better balance.

333

One object of a short-term housing program should be to bring housing lots on the market in sufficient numbers to satisfy at least the pent-up demand, and hopefully a bit more to allow choice and reintroduce a measure of competition. The areas which should be concentrated on for delivery of housing lots are those with serviced, partially serviced, or almost serviced land. To get these lands into housing quickly will require a speed up of the normal regulatory process; decisions which overcome administrative delays at the Provincial, municipal, or inter-governmental level; completion of servicing; financial assistance to municipalities with undue financial burdens; and cooperation from the industry to bring the land into development as soon as it is serviced and processed.

334

Efforts should be made to identify specific sites where the impediments to housing production can be identified and specific action programs undertaken. Agreements should then be reached with the municipalities concerned as to the actions to be taken, and the financial assistance required, in order to achieve realistic short-term housing targets. In order to secure a measur-

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able effect on the price escalation of housing lots, agreements should also be secured with the developers and builders involved to refrain from taking advantage of the market situation, by voluntarily restricting the price of the lots and houses which are facilitated by the special actions taken.

335

Action should be taken as well to get new construction of multiple housing started again, where necessary, in sufficient numbers. Medium- and high-density residential development providing rental and sale accommodation has slowed down. For a variety of reasons, different factors are involved than in the shortage of housing lots. To assure a new supply of apartments and other medium-density housing will require selection and, where necessary, rezoning of suitable sites; acceptance by municipalities and the communities of additional multiple housing; and for developers to re-enter the market. It will be necessary to establish the likely shortfall in the production of rental and condominium apartments in the three major urban areas. Agreements with the municipalities will be required as to feasible multiple-housing targets, and as with the housing lot program, actions to speed up the normal regulatory process and overcome administrative delays. Agreements with developers involved should follow to achieve the multiple-housing targets.

336

Such an emergency housing program would properly be the first task of a new Housing Ministry. Action should not wait until such a Ministry is established and begins to work. For the immediate period, it may be necessary to create a special unit within the Government with responsibility for the program. The present Government structure does not provide any existing ministry or agency with adequate responsibility for this purpose. Such a unit should report to the Cabinet through an existing Minister to overcome internal departmental roadblocks and to negotiate agreements with municipalities and developers. An essential aspect of both the building lot and multiple-housing program would be a residual right on the part of the Government to take over directly those lots or sites for which performance to the agreed targets is not being achieved.

## 5. Government Organization for Housing

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337

The Task Force has concluded that the necessary and recommended actions cannot be performed under the present structure of Government. The distribution of housing responsibilities and responsibilities related to housing is dispersed and unrelated; in addition, some of the required responsibilities are not exercised at all at the present time. The administration of the Provincial housing development program should be concentrated in one agency so that the program can be developed and implemented properly.

338

Not all of the housing activities should necessarily be performed by the Provincial Government and its agencies alone. The regional and local municipalities should have a major and growing role to play in the housing field, and should be encouraged and permitted to accept their responsibilities.

### The Options Considered

339

The Task Force has reviewed previous recommendations made by the Committee on Government Productivity, and has considered other alternatives for locating the housing responsibility in the Government structure. Consideration of alternative approaches for structuring the Government's housing policy and program activities is based to varying degrees on two factors:

- a) The degree of priority assigned to housing.
- b) The importance attached to the relationship between housing and urban and regional development.

It is the Task Force's conviction that both factors should bear strong weight.

340

The Government structure has recently undergone a complete reorganization, which has embraced the establishment of policy fields in which groups of related Government policies and programs are coordinated. Further recommendations concerning Government structure should if at all possible be designed to fit into this basic framework.

341

The traditional way of dealing with an emerging problem is to set up a coordinating staff group representing existing agencies, which would report to the Management Board and other Cabinet policy committees. The same group would coordinate policy decisions and monitor progress. It would have no control over housing or housing-related activities and would represent little improvement over the present situation.

342

A Minister to act as spokesman for housing, supported by a coordinating group, is another alternative. This would give the activity greater strength and leadership, but the designated Minister would remain with limited and partial control over the Government's housing program, and with limited influence on the housing-related programs.

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343

The establishment of a Ministry of Housing would recognize the need for a permanent staff with technical and professional expertise which can advise on policy and direct programs. Under the present policy field structure such a ministry could be attached to TEIGA or one of the policy fields which has housing-related responsibilities. In whatever way the Ministry of Housing is attached, one aspect or another of Provincial policy would tend to be emphasized at the expense of the others; this arrangement might lead to a more active program, but would not necessarily lead to coordination of related programs.

344

To establish a Ministry of Housing unattached to any existing policy field or to TEIGA is a significant variant from the previous alternative. The Ministry would be independent of any particular policy influences, but for its effective functioning the transfer of some of TEIGA's present responsibilities would be essential. It would also be necessary for the new Ministry to be given the same degree of authority and status that is available to ministries operating within the present policy fields.

345

The creation of a new Urban and Regional Development Policy Field, within which the Ministry of Housing would naturally fit, is a solution which puts housing policy and housing programs into a realistic context. This alternative, though it would affect existing policy fields in a major way, provides a framework which would facilitate the integration of policies and programs for Ontario's future urban settlement pattern, and at the same time assure adequate housing according to regional growth objectives.

## **Recommended Government Organization for Housing**

346

The Task Force concludes that the new structure should have regard to the fact that housing and urban development cannot be viewed or assisted in isolation. The Task Force also recognizes that, following the major Government reorganization, additional changes now should be introduced only in stages, and where the transfer or merger of functions constitutes a natural evolution of the consolidation of related Government policies.

347

The aim should be to combine the Government's urban and regional activities with housing in one policy field. This would involve major restructuring of existing policy fields, including the transfer of the physical aspects of urban and regional development.

348

The first step could be an interim one which allows for eventual realization of the long-term aim, but which will grant the Government flexibility in working toward the long-term position. Alternatively, the new policy field could be proceeded with directly if the Government chooses to do so.

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349

A Ministry of Housing, Planning, and Local Government (or some similar name) should be established outside an existing policy field and separate from TEIGA, but including the responsibilities for urban and regional planning and local government services which now reside within TEIGA. If treated as an interim arrangement, prior to establishing an Urban and Regional Development Policy Field, the Ministry should be given a major voice in Cabinet decisions, presumably through membership on the Policy and Priorities Board.

350

The main housing responsibilities of the Ministry would be those recommended in connection with the preparation of the Provincial housing development program (*paragraphs 271-275*).

351

The specific organization of the Ministry would have to be determined by the Ministry itself and would represent one of its first tasks. In outline form, the Ministry could be expected to comprise two basic divisions and be responsible for the activities of two Crown corporations:

- a) A **Housing Division**, which should become the central housing policy and planning branch of the Government.
- b) An **Urban and Regional Division**, essentially the present TEIGA unit, which should be responsible for development control, urban and regional planning, and municipal government affairs.
- c) **The Ontario Housing Corporation** should continue with its present activities, except that the Ministry would assume policy and primary planning responsibilities. Some of its present management functions should be delegated, and the Corporation should assume additional duties in connection with new community development, implementation of regional development plans, and municipal rehabilitation activities.
- d) **The Ontario Housing Finance Corporation**, a restructured Housing Corporation Limited, should deal with all the financial aspects of housing assistance and land acquisition.

352

The Ministry of Housing, Planning, and Local Government should deal with four broad types of functions:

- a) **Formulation of housing policy.** The Ministry's core function should be to establish policy and to plan and carry out the Provincial housing development program.
  - b) **Development of Assisted Housing, Land Acquisition, and New Community Development.**  
The Ministry should direct the operational responsibilities of OHC and OHFC in respect of assisted housing programs, land acquisition, and other community development activities. The Ministry should also be responsible for coordinating the provision of community facilities provided through other departmental programs.
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- c) **Urban and Regional Planning and Local Government Services.**  
The Ministry should carry out the Provincial planning and development control functions, and the activities in connection with the supervision of local government organization and services, including the operation of municipal grants.
- d) **Management of Assisted Housing.** The management of land acquired for housing and community development should continue to be the responsibility of OHC. For assisted housing, the complete range of housing management functions in each area should be handled either directly by OHC or by local or regional housing authorities.

## **Composition of Ontario Housing Corporation and of Ontario Housing Finance Corporation**

353

The Board of Directors of OHC and OHFC should include direct participation from housing consumers and from the social planning and social development field. Procedures should be established for regular consultation between the OHC Board and organized public housing tenant groups. OHC and OHFC directors should be appointed for fixed overlapping terms. Further consideration should be given by the Minister to the potential role of the Ontario Housing Advisory Committee, and if it is retained it should also be broadened to reflect housing consumer and social planning interests.

## **Local Housing Authorities**

354

One aim in assisted housing management should be to delegate as much authority as feasible to local and regional housing authorities. The authorities should operate within guidelines set by OHC and subject to performance and financial audit. Housing authorities should be restricted to management functions, and the identification of local needs should be a municipal council responsibility.

355

The composition of local authorities should be altered. Representation on the housing authorities should reflect responsibilities, and should therefore include municipal councils, local planning agencies, local school boards, and the Ministry.

## **The Role of Municipalities**

356

The municipalities' responsibilities for housing should derive from the arrangements established under the Provincial housing development program. Under the housing development program municipalities would be expected to assume specific duties in the implementation of local housing plans, such as site selection for assisted housing. Depending on circumstances and local willingness, it should be appropriate to extend delegation of responsibilities; but regardless of the degree of delegation, better com-

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munications between the two levels of government need to be established. Organizationally, no uniform delegation of Provincial responsibility can be specified.

357

The delegation of Provincial housing responsibility should be linked to the delegation of Provincial planning responsibility. The regional government program is intended to give greater powers of decision to the regional municipalities within the framework of Provincial guidelines and policies. Similarly, in the case of housing, municipal commitments and housing plans designed to achieve Provincial as well as local housing objectives should lead to the delegation of responsibilities to the regional and local municipalities.

## **Delegation of Housing Responsibility to Metropolitan Toronto and Other Municipalities**

358

Where municipalities are willing and able to undertake the responsibility for planning, developing and managing assisted-housing programs, this responsibility should be delegated to them. This should be based on the adoption of a joint plan for assisted housing which sets out the Provincial and municipal housing objectives and how they are to be implemented, and the financial arrangements and sanctions to be used to secure municipal performance of the agreed targets. Delegation of responsibility for assisted-housing programs should allow for local circumstances and for suitable transition arrangements. In many areas of Ontario, particularly in communities with little assisted-housing activity, the responsibility will remain with the Province. OHC's duties should expand in those areas.

359

This responsibility should be delegated in the first instance to Metropolitan Toronto, which has nearly half the Provincial stock of assisted housing, is willing to assume this responsibility, and has extensive experience and resources for planning, developing and managing housing. In addition, Metropolitan Toronto provides an extensive social assistance program which, at least in part, gives aid to the same persons eligible for assisted-housing programs. There is great merit in the joint administration and management of social and housing assistance programs. Metropolitan Toronto does not represent a housing market area and it is not possible to set realistic housing programs without relating them to corresponding programs outside Metro; it is therefore necessary for the Province to ensure that adequate housing programs are carried out in the areas which surround Metro.

360

The delegation of housing responsibility should be considered for other major urban centres, such as Ottawa, Hamilton and Kitchener-Waterloo, and ultimately for any large urban areas which are willing and able to undertake this responsibility. In the large urban areas under the two-tier regional-local government structure, the delegation arrangements should allow for local municipalities to exercise their own option to assume housing responsibilities where the regional level is unwilling to do so.

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## Federal-Provincial Housing Relationship

361

In the present Federal-Provincial housing relationship there is flexibility in the allocation of funds for various housing programs. Ontario, as some other Provinces, feels that the time has come for the Federal Government to allocate housing funds on a block basis rather than by individual programs. General reasons for this request are that the Province knows its housing needs best and that the bureaucratic procedures of the present system are inefficient. Despite these considerations, the available evidence indicates that at the present time, in the absence of clear Provincial housing policies and programs, it is doubtful whether the housing funds available from the Federal Government would be spent substantially differently if block funding were provided.

362

Many of the provisions contained in the NHA amendments may be very useful to Ontario, depending on the amount of funds available and the regulations under which the amendments will operate. As is usual in Federal housing programs, many of the provisions of the Act are negotiable between the governments. Among the financial limitations of concern to Ontario are the ceiling for rehabilitation and home ownership assistance, which are unrealistic given the prevailing costs in the urban areas of the Province.

363

Several Ontario communities want urban renewal to be reinstated because they have areas where demolition and redevelopment is needed and justified. Some municipalities would like neighbourhood improvement funds to be used in conjunction with the urban renewal provisions of Ontario's Planning Act to get urban renewal restarted. This is a matter to be explored in the negotiations with the Federal Government.

364

The Province should use the NHA to its best advantage as long as it is the only vehicle by which Ontario can obtain its share of the national housing funds. The following steps would be appropriate towards this end:

- a) The Province should negotiate about those aspects of the amendments which are open to discussion.
  - b) When the Province has established its housing policies and has determined major housing priorities it should present to the Federal Government its funding requirements for a three-year program in respect of the NHA programs most relevant to the Provincial housing policies.
  - c) To satisfy Ontario's housing program requirements in light of the Provincial housing development program when established, the Province should negotiate with the Federal Government either block funding arrangements or amendments to the NHA to get the kind of support needed for the Provincial program.
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365

Ontario generally expects more from the national housing program than do the other provinces, and can expect to accomplish more. To do this, it is essential that Ontario knows what it needs, knows how to provide for these needs, and knows how to secure its share of Federal funds to use in a way which will satisfy its needs.

366

Ontario's first priority should be to establish machinery suitable for developing Provincial housing policy and suitable means of implementing that policy. The financial allocation formulas should follow, not precede, this basic step. If past Federal-Provincial relationships offer a valid guide, it can be expected that the financial formulas for housing will be adapted to fit new circumstances.

# Appendix A

## Advisory Committee Members

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D.G. Emslie, Toronto, Chairman

Mrs. Vera Bissett, Toronto

Norman Browne, Toronto

Bruce Burns, Waterloo

Peter Burns, Ottawa

Mrs. Yvonne Conley, Thunder Bay

Stewart Cooke, Toronto

A.E. Diamond, Toronto

Alderman M. Doody, Timmins

Gardner English, Toronto

Mrs. Ellen Ferguson, Toronto

Mrs. D.B. Good, Kingston

Prof. Morley Gorsky, London

Paul Goyette, Ottawa

William Greer, Toronto

Mrs. Eileen Jackson, Hamilton

Mayor A.W. Judd, Simcoe

Wilfred Lamb, London

Morden Lazarus, Toronto

Father Philip LeBlanc, Mississauga

Jack Longman, Windsor

Alderman Edith MacIntosh, Kitchener

Mayor Hazel McCallion, Streetsville

Gary McCarthy, Windsor

John McFarland, Toronto

James McFarlane, Toronto

Donald Middleton, Toronto

Patrick Monaghan, Toronto

Arthur Moore, Toronto

Ian Nicoll, Toronto

Douglas H. Rapelje, Welland

Mrs. June Rowlands, Toronto

Mayor George Speal, Kingston

Mrs. G. Stalker, Bath

William Thomson, Waterloo

Scott Watson, London

Roy A. Wykes, Toronto

# Appendix B

## Task Force Documents

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The following reports are available from the Ontario Government Book Store, 880 Bay Street, Toronto

### **Working Papers**

- Vol. 1: A — Housing Issues and Housing Programs  
B — Housing Supply
- Vol. 2: C — Land for Housing  
D — Housing Assistance  
E — Government and Housing

**Report on Public Participation Program:**  
Summary of Briefs and Public Meetings

**The Housing Production Process in Ontario:**  
Ontario Housing Advisory Committee, April 1973.

The following Background Reports and Consultant Studies are on file with the Archives of Ontario, the Ontario Legislative Library, and the Municipal Reference Library, Toronto

**Housing of Low-Income Persons in Ontario;**  
Hans Blumenfeld, March 1973.

**Municipal Finances and Housing Development;**  
Gail C.A. Cook, undated.

**The Effects of Land Development Control on Housing Supply in Ontario;**  
M.M. Dillon Ltd., May 1973.

**Landlord and Tenant Rights and Responsibilities in Ontario;**  
P. Adrian Hill, April 1973.

**Land Assembly and Land Servicing;**  
Kates Peat Marwick and Co., April 1973.

**Provincial Housing Responsibility and Government Structure;**  
Kates Peat Marwick and Co., June 1973.

**Home Purchaser Protection:**  
Peter A. Milligan, March 1973.

**Potential for Innovation and Improvements in Housing Production and Marketing;**  
James A. Murray, April 1973.

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**Voluntary Activity in Housing;**

Ontario Habitat Foundation, May 1973.

**Community Studies;**

Ontario Welfare Council, April 1973.

**Developments in the Cost, Supply and Need for Housing in Ontario;**

Peter Barnard Associates, April 1973.

**Rent Control;**

Donald C. Ross, undated.











